THE

Hongkong Weekly Press

AND

China Overland Trade Report.

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CONTENTS.

	PAGE
Far Eastern News	205
Leading Articles:—	
Report of the Opium Commission	206
Korea's Reformation	207
Paternal Government	207
The Balkan Squabble	208
Chinese and the Transvaal	208
Abolition of Opium Divans in Hongkong	209
Random Reflections	210
Hongkong News	210
Hongkong Legislative Council	211
A Night of Miracles	213
British and Foreign Bible Society	213
Interesting Wedding—Owen-Seth	214
New Netherlands Consul for Hongkong	215
Victoria British School	215
Incomplete Sanitary Board	215
Absconding Shroff	215
Supreme Court	216
Proposed New Tramway to the Peak	216
Restriction of Opium in Hongkong and in China	217
Opium Commission Resolutions	221
Opium in Indo-China	222
Visit of the Philippine Squadron to Hongkong	222
Collision in Hongkong Harbour	222
"Fatshan" Incident	222
Hongkong University	222
Company Reports:—	
Geo. Fenwick and Company, Limited	223
China Sugar Refining Company	223
Luzon Sugar Refining Company	223
Dai Nippon Sugar Refining Company	223
Bank Dividends	223
Company Meetings:—	
Hongkong Hotel Company, Limited	224
Union Water Boat Company	224
Hongkong Fire Insurance Company Limited	224
Hongkong and Kowloon Wharf and Godown Co.	224
Central Stores Limited, Shanghai	225
Burglary in Hongkong	225
Burial of the Emperor Kwang Hsu	225
Far Eastern Telegrams	225
Mishap of the "Kutsang"	225
Commercial	225
Shipping	228

BIRTH.

On the 12th inst., at the Peak Hotel, the wife of Engineer Commander MOUNTIFIELD, R.N., of H.M. Naval Yard, of a son.

MARRIAGES.

At "Louisaville," Gas Works Hongkong, on the 6th March, by the Rev. C. F. Hickling, Union Church, Hongkong, EDGAR WILLIAM TERREY, Gas Works, to MARY ANN MCNAUGHTON, eldest daughter of JAMES MCNAUGHTON, Esq. Chemist, Port Glasgow, Scotland.

At St. John's Cathedral, Hongkong, on Tuesday 9th March, 1909, PHYLLIS IRENE, younger daughter of Arathoon Seth, Esquire, I.S.O., Registrar &c. of the Supreme Court of Hongkong, to MACKERTICH CYRIL, youngest son of the late Rev. Cyril Owen, Clergyman of the Armenian Church at Rangoon. (English and Indian papers please copy.)

On the 9th January, 1909, at St. Mary's Church, Liscard, by Rev. R. Ellwood, B.A., A. P. DA COSTA, Secretary of Mina de S. Domingos, late of Hongkong Post Office, eldest son of A. P. Costa, Senior, of Monte, Macau, to INEZ MARY, sister of late Colonel Walker of Liverpool Regiment, third daughter of late John Walker, of Rimrose Bank, Bootle.

DEATH.

On the 5th March, at "Cragside," The Peak, the infant son of Mr. and Mrs. A. H. SKELTON, aged 7 weeks and 5 days.

Hongkong Weekly Press.

HONGKONG OFFICE: 10A, DES VŒUX ROAD CL.
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ARRIVAL OF MAIL.

The *Prinz Ludwig* with the German Mail arrived on the 12th instant.

FAR EASTERN NEWS.

The death is announced of Mr. E. Z. Holme, a former resident of Nagasaki, and well known as a partner of Messrs. Holme, Ringer and Company of Nagasaki.

His Excellency Minister Yin Chang, accompanied by His Highness Prince Hsien Chang, son of Prince Su, were passengers by the German Mail steamer *Princess Alice*, for Germnay.

Two firms, one American and one German, have jointly applied to the Board of Posts and Communications for permission to construct telephones from Peking to Hankow, Nanking and Canton.

The Chinese Government is reported to be in favour of the proposal of Prince Tasi Tse to open branches of the Ta Ching Bank in England, Germany and Japan, and to appoint experienced financiers at the head of each branch.

The *Courrier Saigonnais* publishes interesting figures showing how it stood with trade between Cochin-China and the Philippines in 1908. The Colony, that year, exported to the islands articles to the value of $7,094,409, of which rice accounted for seven millions. The Philippine statistics show that imports there from the French Colony far exceeded in value those from the United States.

In spite of the denials in the Japanese Press of the coming betrothal of the young Crown Prince of Korea to a Japanese lady of high rank, the reports here that such will be the case are more emphatic than ever, says the *Korea Daily News*. It is said that the lady will be one of the Japanese Imperial family, and that the Korean Court Ladies who are now in Japan with Mr. Min Pyong Sok will be presented to her during their visit.

Antonio Maura, second son of the Premier of Spain, has arrived in the Philippines and will enter the employ of the Tabacalera Company on one of its stations in the Cagayan valley. Mr. Maura was sent out by his father to learn methods of American government and administration and yet be with his own countrymen. He had recently returned to Madrid after completing an engineering course in Belgium.

A Treaty between Great Britain and Siam has been signed at Bangkok whereby Siam renounces her suzerainty over the States of Kelantan, Trigano, and Kedah in favour of Great Britain, while the latter agrees to the gradual abolition of extraterritoriality. British subjects registered after the signature of the treaty will come under the jurisdiction of the Siamese courts, but European advisers will sit in all courts wherein British subjects are defendants. The Federated Malay States agree to provide four millions sterling for the purpose of constructing a railway from Bangkok southwards to the new Malaysian boundary.

A correspondent of the Bangkok *Times* says there is a good deal of activity at present in tin mining enterprises in the Monthons of Nakon Sritamarat and Chumporn. Chinese towkays are applying for mining licenses for very considerable areas there.

A sum of P7,000 is provided for in the Philippines budget for the purpose of fitting out the new meteorological station of Mount Mirador, Baguio, with apparatus. The meteorological station on Mount Mirador overlooking Baguio was built by the Jesuit fathers for the purpose of an additional station for their scientific work. It is a commanding stone structure which can be seen from the ships in the China sea many miles away.

The latest Shanghai newspapers record the death of Dr. E. H. Paulun. The deceased gentleman was taken to the General Hospital only last week suffering from typhoid fever. Kidney complications set in, and, he died at 4 o'clock on Friday morning from uraemia. The news of his death was received with extreme regret by the whole community, for as a surgeon and as a citizen he enjoyed the high esteem of all classes and of all nationalities in Shanghai.

The annual Interport Regatta at Canton was held on Saturday, the 6th instant and notwithstanding the inclemency of the weather, a most successful afternoon's sport was enjoyed by the spectators. The Committee were as follows: Mr. T. Griffith (Chairman) Messrs. F. C. Herb, R. Johnson and A. W. Purnell; Secretary, Mr. E. Lund; Judges, Messrs. T. E. Griffith and J. H. May; Umpires, Messrs. H. H. Fox and W. W. Ross; Starter, Mr. H. Bent; Timekeeper, Mr. J. S. Thompson. Canton Rowing Club won all the interport events except the Junior Fours which was won by the Royal Hongkong Yacht Club team.

Shanghai is to have "one of the finest Clubs in the Far East." So is Tokyo. Up to the present about 200,000 yen has been subscribed in cash for the new Tokyo Club, and the Club house, which is to cost upwards of 300,000 yen, will be situated on one of best sites in the capital. Prizes of 1,500 and 1,000 yen are to be given for the best designs sent in. Architects all over the country are now at work and the competition will be keen. It is expected that the building of the Club house will begin in about six months and that it will be about eighteen months or two years before the building is ready for occupancy. In addition to the Club house, the gardens, lawns and tennis grounds around the Club will be most attractive.

Messrs Jardine, Matheson and Co. Ltd. are reported in a Japan contemporary to be the owners of the richest mining concession now being worked in Korea. It is situated at Gwendolin, about 500 miles inland from Chemulpo, a journey that has to be undertaken, firstly by boat to Ying Pang, and then by mule to destination. The concession covers some 30 square miles, and belonged formerly to a London Syndicate, from whom it was bought sometime ago by Messrs. Jardine, Matheson & Co., who are still working it. This valuable deposit of fine bull quality is being operated on by a modern up-to-date plant, consisting of five Stamp mills, Bryan and Huntingdon ore crushers, all the latest amalgamating and gold saving machines and devices that are essential to profitable working.

THE REPORT OF THE OPIUM COMMISSION.

(Daily Press, March 6th.)

The recent Opium Convention has been successful,—far more successful than its most enthusiastic supporter could have wished-—in proving, what in the face of the unreasoning of faddists has ever been a disputed point, the absolute impossibility of converting a nation "by Act of Parliament." After all, there is a law of nature which, probably wisely, provides that if a nation be bent on any particular line of conduct, no power yet discovered can prevent it. It is curious here to find that the one honest man, for we cannot exactly place opium faddists any more than anti-vivisection faddists, or square-the-circle faddists, in the class of ultra-honest men, in the Conference, the Nanking Viceroy TUAN FANG, saw clearly the entire drift of the arguments; and openly and unblushingly declared, what those who are possessed of a modicum of logical faculty had seen long ago, that what China wanted was not so much the abolition of opium smoking as a monopoly that would convert what was now a lost opportunity into a splendid financial success; and render China's damaged exchequer for the future quite independent of foreign aids, or, what is still more galling, foreign advice. This is the true inwardness of the Convention of the probably well-meaning, but certainly very ill-advised well-wishers to China who have just now closed their efforts at Shanghai.

It is easy to read between the lines of Bishop BRENT's very admirable closing address that the main feeling of the Convention was one of admitted failure. We are not going to raise the oft-repeated question of the morality of opium smoking; and are quite prepared to admit that it does an enormous amount of evil, but we do deprecate the modern pharisaic habit so well described by old BUTLER of "compounding for the sins we feel inclined to, By damning those we have no mind to." It is one of the cankers, in fact, at the root of our highly artificial morality of the present day, that we are perpetually bent on the search for the mote in our brother's eyes, while quite oblivious of the beam in our own. Whether like the followers of ZOROASTER we raise the principle of Evil to a height practically on a level with God himself, or whether we take the more Christian view that evil necessarily follows as a but half-developed good, the history of humanity unfortunately tells us that evil, as the world is constituted, is ever, and must be ever with us; and that the hope of exterminating evil is not one of the blessings granted to humanity. Speaking of the too ready itching current in his day, as in the present, to do good by proxy, our SAVIOUR uttered the very pertinent caution, which is sadly neglected in our day of over strained philanthropy: "Nay; lest haply while ye gather up the tares, ye root up the wheat with it."

Now in the very case of opium, the stoppage of the import of which into China these short-sighted philanthropists have set before them as a work, which they conceive will bring down a blessing upon themselves, we may well ask what has been the result of well nigh a century of preaching? It is acknowledged by all who have studied the economic aspect, that the money derived from the sale of opium was the foundation of the export trade of China; and that without this import there was no possibility of opening trade. Are they prepared to denounce the export trade as one of the evils inflicted on China through her having listened to the wiles of "John Company"? Is it not the case that the tea-drinking which largely assisted in inspiring these anti-opium demonstrations was only rendered possible by the trade they were at the moment denouncing, and is it not true that amongst the mercantile classes at least of America the opposition was largely inspired by jealousy of England's possession of India, which enabled her to take the lead in Oriental finance? One of the speakers at the Convention spoke of the Slave Trade:—"Just as slavery reached a point when amongst its opponents it was no longer a mere question of morals or an academic theory, but an actual perplexing problem continually appearing in every direction, and in various forms; so has it come to be with the evil before us." Slavery has disappeared, indeed, but though the most loudly demonstrative enemy it had to face was the sentimental cry of the abolitionists:—"Am I not a man and a brother?" the sentimental part of the opposition had really very little to say to the result, which was brought about by economical, rather than philanthropic reasons. The world that went frantic over WILBERFORCE's pictures of the woes of the Negro has long ceased to believe that he was either a man or a brother, and the lasting result of the unhealthy agitation has been the ruin of the West India Islands. An even worse effect of the Slave Trade, which, it may be remembered, was brought into being through false economic ideas of "cheap labour," has been the lasting injury inflicted both morally and economically on the Southern States of the American Union; an evil which still is the great unsolved problem that the United States have to face whether they will it or not.

Now similar economic falsities are actually at the bottom of much of the present opium agitation. The value of the opium production of China in 1906 is put down at 220 million taels; of opium imported, 30 million —that is to say a mere 12 per cent. The entire charge amounts to some sixty cents a head; the tobacco duties in England in the same year amounted to some 100 million taels, say the cost to the country was 150 million taels, or some taels 3.75 per head. Is anyone prepared to say that England is going to be ruined through smoking tobacco? Tobacco is a useless herb, it is confessed, but if it be useless so are most of the arts on which the country prides itself. Attendance on concerts does not serve any useful physiological purpose, nor do handsome pictures, nor embroidered clothes; but would the country be any better off if these were strictly prohibited? It is something to say in favour of tobacco that it contributes a very large sum actaully towards the general unkeep of the country, which would have to be provided in some more oppressive, and perhaps more mischievous manner else. Opium enjoys largely the same rôle in China, paying largely towards the support of the administration, which in many parts of the Empire it forms the most profitable of crops. The writer can speak from practical experience of the opium cultivating peasant of Szechuan, whom he found the most intelligent of his class; yet who were these presumed philanthropists to have their way would be quickly reduced to the level of his hopeless and shiftless representative elsewhere. Looking at what the anti opium agitators have done in the past, they can hardly pride themselves on the result of their labours; it is notorious that the first incentive towards eating morphia procceded from the introduction of the morphia pill, as a cure of the opium habit. If you want to cure a flabite, goes the old saw, apply the parts to the jaws of a bug! Such is the most effective result of anti-opium practice. Morphia was a thing unknown in China in the old days when missionaries did not preach the impossible doctrine which neither they nor their disciples were able to endure. Now morphia, to the overlasting disgrace of the preachers of the gospel of repression, forms one of the great imports of China; and worst of all those engaged in the soul destroying traffic are for the most part the anti-opium apostles.

It has, of course, ever been so in the history of the world; attempted forcible repression has ever been the first step in spreading evil practices: the evil spirit that went out of the man spent his time in wandering through rocky places seeking rest, and finding none. It was then that he resolved to go back to his old quarters, and when he returned, as the story tells us, he found them empty, swept, and refurnished with delights he had never dreamt of before. Verily China was bad enough under the old opium smoking officials of Canton, but China under the new generation of morphia injectors is more likely to be a veritable inferno.

And what after all this talk and labour, has been the practical result of the Conference? Has it accomplished, or has it been afforded the slightest chance of accomplishing with the Chinese Government, who alone can take any practical steps in the matter, anything towards hastening the downfall of opium-smoking? If it have, it has been very indiscreetly silent as to the prospect. It avoids, too, telling its admires and well wishers what the one practical man at the Congress stated without concealment, that his idea, and herein he spoke as a high and trusted officer of the Chinese Government, was that China should, taking example from France and Japan, make a huge monopoly of Opium, and so be independent of all extraneous source of supply. The deliberate wisdom of the Convention in the face of this gives the following advice to those who would wish to be impressed: That it is highly important that drastic measures should be taken by each Government in its own territories and possessions to control the manufacture, sale, and distribution of this drug," which was doubtless highly Pickwickian. And: "that the International Opium Commission strongly urges all Governments possessing Settlements or Concessions in China, which have not yet taken effective action towards the closing of opium divans in the said Concessions and Settlements, to take steps to that end, &c." Why? The reasons is like everything else on which we might expect light to be thrown, keep dark; but apparently only one can be alleged:—and that is to enable the Chinese Government with the greater ease to establish the desired monopoly, with the object of encouraging as far as possible the native growth within its own territories. This is a poor result after the long and anxious days spent in a hopeless task. It would have been far more straightforward to have at once acknowledged the simple truth that the whole of the agitation from beginning to end had been a dire mistake, and that it was really only an act of impertinence to have endeavoured to interfere with the internal affairs of China. What if we were to appoint an International Commission to impress on the United States Government the folly, nay wickedness of eating rolls for breakfast every morning? That the practice does irreparable injury to the rising generation is not to be blinked; but as some one suggested in a like case, ninety-

five per cent of the black eyes one meets in his daily experience are due to the ineradicable habit with some folk of *always seeking to attend to other folks' business.*

KOREA'S REFORMATION.

(Daily Press, March 8th)

The "Annual Report for 1907 on Reforms and Progress in Korea, compiled by H.I.J.M's Residency General," and issued at Seoul a few weeks ago contains a good deal of interesting matter. It is published in English specially for the information of foreign students of affairs in the Peninsula, and hence its account of past and present conditions will probably be looked upon as having a strong tinge of "subjectivity." In fact, it consists of a series of sections each beginning with an account of conditions existing in 1905 and proceeding to detail what is claimed to have been accomplished by the Japanese since that very recent date. If the claims are literally accepted we must believe that everything that is good in the country has been introduced by the Japanese in the short space of four years. We have no space to go into all the counts of the indictment brought against the old Korean administration. Suffice it to say that, although for thirty years previously, there had been foreign advisers of various nationalities in the country as well as missionaries and other educators Korea is declared to have had in 1905 an utterly rotten Imperial Court; a still worse system of local administration; a judicial system all of whose officers were "utterly deficient in knowledge" in which torture was commonly resorted to and bribery universal; prisons worse than pigstyes in which innocent persons were often thrown to gratify private spite; an army totally incompetent even for maintaining order at home; a system of land taxation based on surveys five hundred years old, which had never been properly revised and had since become a mass of iniquities; practically no roads; a postal service whose mismanagement caused a yearly increasing demand on the Treasury; a telegraph service which struck work in bad weather, and so on, through all the items of public affairs." And all this chaos, the Report tells its readers, has been reduced to order by the Japanese in four years; in addition to putting down a widespread insurrection which cost the lives of many thousand "rebels" and of a few Japanese soldiers.

But the remarkable chapter in the book is the Introductory one. "During several decades, it says, many suggestions were offered and sincere efforts exerted by Japan with a view of reforming Korean maleadministration. . . . "From the very begining, it has been the unbroken policy of Japan to open the 'Hermit Kingdom' to the world, to establish terms of neighbourly friendship, to strengthen the Korean Imperial House and to maintain the independence of the country." After the war with China, "Japan reverted to her program of friendly advice . . . Following these sincere counsels, the Korean Government engaged a number of Japanese advisers." After the war with Russia, "Japan had now realized that Korea was not capable of governing herself" and "by successive agreements, obtained entire control of Korea's foreign affairs," but with respect to domestic affairs," she contents herself with having "assumed advisory supervision of the general administration." Even at the present day, the decrees of the Resident-General are spoked of as "advice" to the "Korean Government."

It will be admitted that Japan is, in many ways, doing good work in Korea; that the country, from its long seclusion, had degenented to an extent which made continued independence impossible in face of the contending interests of the these neighbouring Powers. But, which admitting all this, critics of Japan assert that the Japanese cannot claim any merit in the ultimate good results, whatever they may be; "for their motives are perfectly clear. They wish to make of Korea another Japan, to make it as thoroughly Japanese as Kiushiu; and when the Koreans are fully Japanized—if that time ever comes—when they contribute their full share of conscripts to the Japanese Army and their full share of taxes to its Exchequer, then, no doubt, they will be left in peaceful enjoyment of what will remain to them." Japan's idea of colonization, say her critics, is rather after the Roman than the modern civilized type. For our part we are unable to see in what respect Japan's idea of colonization differs from that of Great Britain in India, France in Indo-China and the United States in the Philippines. Indeed it seems to us that Japan has been following the American idea of colonization very closely. She takes the tone of the elder brother in her relations with the Koreans just as the United States does in the Philippines. She holds out to the Koreans, as the United States does to the Filipinos, the prospect of national independence when they acquire the capacity for self-government and the ability to stand, if not entirely alone, yet in some such relation as Cuba stands now to the United States. We do not know why Japan's constantly reiterated professions of altruism should be doubted any more than the professions of the United States in regard to the Philippine Islands. Mistakes have doubtless been made by Japan in Korea due to her "want of practice in the art of colonization." But if the critics would extend their outlook they would see abundant evidence that even an old and experienced colonizing Power like Great Britain is not regarded as infallible. Men have written and continue to publish charges against the British administration of India not dissimilar to the charges hurled at the Japanese by Messrs. HULBERT, MCKENZIE, and a few others who have written on Korean questions, with strong prejudice against the Japanese administration, and we know to what lengths many educated leaders of public opinion in India have gone in recent years in giving expression to their dissatisfactory. Continual asseveration of the virtues of humanity, moderation and tolerance in colonization are certainly not a satisfactory substitute for their actual practice, but those who impute that Japan is by her actions deliberately belieing her altruistic professions might in a calm moment ask themselves whether Japan would be likely to do anything so foolish. The eyes of the whole world are upon Japan's work in Korea. She has nothing to gain by high-handed action; the success of her schemes will be in proportion to her success in conciliating the population and enlisting their sympathy with progress and reform and their co-operation in giving effect to her plans. It would be political insanity on the part of Japan to adopt any other course, and the more the Korean nation grows in political wisdom, and in wealth following the development of its resources the more remote is the prospect of Korea becoming "as much a province of Japan as Kiushiu." The prospect of independence is continually held up to the Korean nation by Japan, and it seems to us that the sentiment of nationality in Korea likely to be fostered and strengthened in Korea, rather than extinguished by the policy Japan is now pursuring in the country.

PATERNAL GOVERNMENT.

(Daily Press, March 9th.)

It is somewhat curious that at the time when the Chinese are seriously considering the defects in the system of government which has so long obtained in the Celestial Empire, European nations, and probably none more so than Great Britain are, in an unsuspected manner adopting the principle which experience in these parts has proved to be so delusive. No truer remark was ever made than one uttered by the late Professor LEGGE that the Chinese system, as set forth in their Classics, is suited to a family or to a small village community, but is quite unadapted to the government of a large country or empire. The analogy between a nation and a family has always been attractive but all experience shows that it is completely false. The history of China stands probably at the head of such experience. The whole system of society in the country is an enlargement of the idea of the family—and, ingeniously as it has been worked out—that system has led to abuses in every direction, the most obvious of course being the arbitrary power which it places in the hands of the Emperor and the officials—as by analogy, the fathers of all the people—to, whom implicit obedience must be accorded. This paternal system is found to pervade the government of China in all directions—and the result has been the establishment of a form of administration so arbitrary that some of the high authorities themselves are at last beginning to recognise that it cannot be longer continued without substantial modification. The idea that the State is a kind of large family which must be managed on domestic principles is the underlying fallacy that has given so great an impetus of late years to the Socialistic movements at home which, if they could succeed, would end in as complete a tyranny on the part of the masses as has ever existed on that of officials in China or in the most arbitrarily governed countries in the world. The State is to do everything—to regulate the hours of labour, to find employment for unemployed, to grant old age pensions, and in a number of other ways to do for individuals what with ordinary prudence, they could, in many instances at least, do as well or better for themselves. This kind of interference is that which is most complained of when it emanates from above, instead of from below, but it is precisely the same in the nature and effects, whether it results from the decree of an Emperor or a Viceroy or from undue pressure brought upon Parliament by the "Labour" or "Socialist" parties, The mistake in both instances is that of concluding that whatever may be done by the head of a family for its benefit, can be undertaken by the State with advantage to the community. This is a complete reversal of the principle which was formerly accepted, namely that it is undesirable for the State to undertake anything that can be managed by individuals or associations of private individuals for themselves. The old rule was the less government interference the better. Now, however, the Government is called upon to interfere in almost everything and, if the Socialists had their way, they would have the railways, waterworks and all large enterprises in the hands of the Government—and of course, the Government in their hands. This is the point to which, on democratic lines, a system based upon ex-

tending family government to a State will arrive; just as, upon Imperial lines, it will arrive at a paternal system similar to that which has worked so much oppression in China. Whether government emanates from above or from below, it ought clearly to be confined to its own province; and harm will, in the end, always result when its powers are directed to matters not properly within its sphere. It is, of course, not easy to define absolutely at what point the sphere of government action ends. This, however, can be done negatively and the ordinary test is, whether in any given case what is proposed can or cannot be done by individuals or by legitimate independent associations. Such matters or enterprises may no doubt be at times advantageously aided by Government, but this is a very different thing to the Government undertaking them itself as has been markedly the case in recent times.

THE BALKAN SQUABBLE.

(*Daily Press*, 11th March)

The recent shindy in the Balkan Peninsula, for the contretemps really deserves no better name, affords a fair illustration of how very undignified may become the petty squabbles of civilised Europe. FRANCIS JOSEPH, the veteran Emperor of Austro-Hungary, now in his seventy ninth year, has naturally been seeking to shift as much as he could of the responsibilities of Empire on to the shoulders of the Heir, the Arch-Duke FRANCIS FERDINAND, and the Imperial Minister, BARON VON AEHRENTHAL. Delighted at being out of leading-strings, it seemed a fine thing to inaugurate their newly found freedom by some safe but noteworthy act. The House of Hapsburg, whose head is at once Emperor of Austria and King of Hungary, and the many dependencies of each, which are largely inhabited by peoples of Slavonic race, holds its huge possessions by a very complicated tenure, each of the three main races having its own peculiar constitution, and all three being intensely jealous of one another. Since 1878, by the decision of the Berlin Congress, the Austro-Hungarian monarch has been further entrusted with administration of the formerly Turkish provinces of Bosnia and Herzogovina. Under the administration of the wise old Emperor FRANCIS JOSEPH, these provinces had made huge strides in wealth and general civilisation; and with the new home policy it seemed that the time and opportunity had arrived to unify the administration by formally amalgamating it with the Empire. There was nothing very alarming in the idea, as for all intents and purposes Turkey had given up all claim to, or thought of, the reversion, and with a little diplomatic respect to her possibly tender susceptibilities on the subject, a few words might have arranged the whole. BARON VON AEHRENTHAL, Minister of the Imperial House, was however, the hero of the Salonica Railway schemes, wherein he had sought to carry out his own views without consultation with the other Powers; and though he found that on the whole the other Powers were favourable or indifferent, there was enough of uncivil talk to show that old jealousies were not extinct. Regardless of this the Minister resolved to carry out his new scheme, which entirely altered the international aspect of the occupation of the Principalities, with as little consideration for the public feeling of Europe and Turkey. The idea was, to say the least of it, not wise, but neither VON AEHRENTHAL nor Europe had any reason to anticipate that it would have become the occasion for a regular Irish row.

Now it so happened that PRINCE FERDINAND the ruling prince of Bulgaria, who owed his position to a similar mandate from the Berlin Congress, and who was so to speak administrator "on good behaviour," has for the last ten or twelve years been pulling at the skirts of European royalty to allow him to enter their society, and wear a crown on terms of equality; a claim which has always been rejected with a shrug and a smile. It seemed clear to him that if Austria could don the cr /n of Bosnia without remonstrance, e Bulgaria, whom he thought equally od looking, had an equal right to change his headgear.

Meanwhile Servia had on its own account been playing high jinks at home, had been murdering in a merry mood her worthless king, had been placed under *tabu* by the other sovereigns, and was smarting under the indignity. For her, too, the time seemed to have come that by deeds of exalted prowess she might receive the respect of her neighbours. Bulgaria had succeeded by sheer persistence in making the Powers acquiesce in her occupation of Eastern Rumelia, and Servia could not be brought to see why by similar self-assertion she should not creep into Novi Bazaar and northern Macedonia. She was a young nation that had not yet come to years of discretion, and in her young Crown Prince GEORGE, she had a second WINSTON CHURCHILL who kept goading her on to doughty deeds irrespective of consequences. Montenegro, too, though more mature, had a little grievance which she thought might as well be settled while the fun was on. Austria blocked her from her sea coast, and she would like Cattaro,—a reasonable enough request if every one was to have a finger in the pie.

Only Turkey was left out, and as she would have eventually to pay the piper, it was not unnatural that she should protest to the signatories of the Berlin Convention to shield her from wholesale spoliation. Such was the little bit of fun that BARON VON AEHRENTHAL's unconsidered attempt to change his fee-farm to fee-simple had raised in the Balkan tea-cup.

Now it is hardly saying too much to affirm that of the main points at issue, not only the public of Europe, but most of the governments were profoundly ignorant. A few well considered words at first would probably have prevented the subsequent effervescence, but where all were excited, and each bawling at the top of his voice, the still small sound of reason could not be heard for the din. Germany at one time by ecalling her ally Austria to the facts of the ase, and advising caution before exciting the worst passions of the new Balkan States, might have definitely stopped the agitation; but at the moment she rather fancied the hubbub; and when Sir EDWARD GREY suggested that as Austria had been placed in occupation of the principalities by the joint action of the Powers at the Berlin Congress, it was only right that before changing the tenure she should also get their approbation, he found that he had inadvertently touched her raw spot,—the Divine Right of kings to do wrong. That France loyally joined England in the attempt to end the turmoil only increased the difficulty, for it was one of Germany's sorest grievances at the moment that France and England should have a joint policy in which Germany was, as she thought left out in the world. Such were the circumstances, creditable to none of the actors, that nearly plunged Europe into another Thirty Years War last year. There were absolutely no interests concerned of importance to any one of the Powers, the highest ambition of any one of them being the exchange of a cap of maintenance for a crown.

Nor was the gradual cessation of the hubbub brought about by any return to more rational modes of thought. Austro-Hungary, officially the Dual Monarchy, in reality is compounded of three elements almost of equal moment,—Teutonic, Magyar, and Slavonic, each one carefully watching the other for any sign of temporary weakness. Pretty equally balanced, Magyar and Teuton have generally combined when the other became too aggressive, and in this case the largest Slavic element in Austria itself was showing unmistakeable signs of joining with Servia in a Pan-Slavic demonstration. Austria had been talking rather too big, and had gone to the lengths of threatening hostilities. Of course state for state in war with Austro-Hungary Servia would be no-where, but Austria at last began to recognise that however successful she were in the field, her most dangerous enemy was to be found, not in the field, but at home in her own large and united Slavonic population. When therefore England gravely proposed that the Powers should "admonish" both Austria and Servia, the situation at once began to change with a rapidity almost ridiculous. Austria at once recognised that the admonishment, on a question of mistreatment of her Slavic population, would tend to still further weaken their already strained ideas of allegiance. It would have been a repetition of the case of England when the Pope put King JOHN under an interdict. So Germany was invoked, and the Emperor, still strong in the doctrine of Divine Right, declined to agree. This opened the way for the acceptance of Russia's proposal that Servia alone should be "admonished." What admonishment implies it is not worth while stopping to enquire, the threat seems to have been sufficient, so there is room for the hope that at last the symptoms are favourable to reason. So, it is to be hoped, has evaporated before serious harm has been done one of the most senseless "shindies" which has occupied Europe for two centuries.

CHINESE AND THE TRANSVAAL.

(*Daily Press*, 12th March.)

We notice that Mr. ASQUITH, at a recent assembly at the National Club in London, took occasion, in reviewing the work which the Liberal Government has accomplished, to refer to the question of the Chinese immigration to the Transvaal. He claimed it as a great credit to the Government of which he was the head, that they had put an end to the system—and this statement appears to have been accepted without any reservation, by his audience and by the public generally. There is, of course, no reason why the Prime Minister should not have put a crown upon all that the Liberal Government have accomplished, especially when speaking in so congenial an atmosphere as that of the National Liberal Club. But it might have been wise to have left the Chinese Immigration question alone as, however much the Liberals may pride themselves on having put a stop to the immigration, the facts with regard to that matter are only too well known. In the first place it was conclusively shown as time went on that the cries which had been made to serve their purpose at the last general election were simple fabrications; and that there was not anything of the nature of slavery, or even of unduly severe conditions in the contracts for labour which were concluded with the Chinese. The interference which was attempted was therefore uncalled for; and when this was pressed

upon the Liberal Government, they fortunately found a means of getting out of the difficulty by declaring that it was a matter which they must leave to be dealt with by the recently established responsible Government of the Transvaal—claiming, however that, through their intervention, a great many prominent abuses in connection with it had been done away with. This claim was disingenuous—the modifications which were made being only in minor details, and it having been conclusively shown that there was no element of slavery whatever in the matter, but that this accusation had been got up merely as an election cry. One would have thought that this matter might well have been left as it was and not referred to after a long lapse of time as something which eminently redounded to the credit of the Liberal Government. The claim, however, that they had put an end to the system—even if they were called upon to do so in any way—is completely unfounded, as those acquainted with what has gone on in the Transvaal, since the establishment of representative institutions, perfectly well know Had the Transvaal, as a whole, or had even the governing section in the Transvaal (now the Dutch party) been desirous that Chinese emigration should continue, the Home Government would have had to face a very difficult question in opposing the adoption of that course. But fortunately circumstances arose which put an end to the difficulty and saved both the Transvaal and the Home Government a vast amount of trouble. The reason for importing Chinese labour itself came to an end. After the Transvaal war, the natives in South Africa were so well off, with the high pay that they had received while hostilities lasted, as drivers, carriers and the like, that there was great difficulty in inducing any of them to go to the mines. As time went on this happy state of affairs gradually came to an end; and it was possible again to obtain native African labour for the mines. This change fortunately showed a way out of a very unpleasant difficulty—and the Chinese were allowed to return as their contracts expired and native labour engaged to supply their places. For many reasons objection is felt in the Transvaal against the Chinese; as being an element possibly not easy to manage and also as opening the door possibly to Asiatic competition in other directions. It is not likely that any idea of reviving Chinese immigration will arise again; but the system has really come to an end simply from economic causes, and not from any heroic opposition on the part of the Home Government to what they chose—with gross injustice to all concerned—to call a system of slavery.

ABOLITION OF OPIUM DIVANS IN HONGKONG.

(*Daily Press*, March 13th.)

After due consideration the Imperial Government has decided on the final and total abolition of the opium divans in the Colony of Hongkong when the existing contract between the Opium Farmer and Colonial Government expires next March. His Majesty's Government recognise that as a result of giving effect to their policy the Colonial revenue must suffer a loss which it would be impossible for the local Government wholly to replace, and when the amount of this loss has been ascertained with some degree of accuracy His Majesty's Government will be prepared to ask Parliament to give a substantial contribution towards making good to the Colony the revenue which it is found to have lost as the direct result of measures adopted under their instructions. All that can be said of this decision is that it fulfils expectations. It was inconceivable that the Government, after being placed in possession of the whole facts of the case, would act with the precipitation indicated in their telegraphic instruction; but no one could have entertained a very lively hope that the Imperial Government would recognise the folly of totally abolishing the divans. Having in haste and in ignorance, definitely committed themselves to the policy of immediately suppressing the divans, it was hardly to be expected that the Government would stultify itself by confessing the doubt as to the wisdom of the policy which the able and convincing memorandum by Sir FREDERICK LUGARD inevitably inspires. We know now that the whole of the hundred and ninety licensed divans in the Colony must close in March 1910, but we do not know yet to what extent the Colonial revenue will be detrimentally affected thereby. In his Memoradum summarising the dispatches sent to the Secretary of State on the subject, H. E. The GOVERNOR very properly pointed out that divans are a concomitant, and result of the habit of opium smoking rather than an inciting cause and "they serve a useful purpose in concentrating smokers, and thus bringing them under control and supervision. They also tend to diminish the smoking of opium in private houses, and to confine it to adult males, and are a check on dross eating, since neither the keeper nor the smoker may retain the dross. Their complete abolition would not improbably produce many evils not contemplated by those who have no actual knowledge of the circumstances." His Excellency also mentions that the closing of divans in Shanghai and the neighbouring city is said to have led to no apparent diminution in the sale and consumption of the drug. We can readily imagine that this will be the case in Hongkong also; but we are not rash enough to anticipate that future tenders for the Farm—if any are submitted—will indicate the existence of a similar belief or suspicion in the minds of those who may seek to have the monopoly. Of course they will not. Prospective bidders will rather submit, as a reason for a ridiculously low offer, that as the British Government has pledged itself to act up to the Chinese standard so far as the closing of opium divans is concerned, may not the Government follow China still further and make the smoking of opium anywhere in the Colony by other than duly licensed persons a penal offence? And the prospective bidder would know that in Hongkong the police organisation is able to more effectually secure obedience to law than are police organisations in China. The rejection of the eminently sensible measures suggested by the Governor, and the insistence on a total abolition of the opium divans imports so much risk and uncertainty into the future of the business that it will occasion no surprise if the Government does not receive a single offer for the farm when tenders are next invited. In that case the Government will have to run the monopoly itself. If the Farmer sees no profit in the Farm it is unlikely that the Government will find any. In order to protect his monopoly the opium farmer has to employ a large staff of detectives and to offer rewards to informers. However much his business is reduced by the restriction of his supply of opium and the closing of the divans, the Farmer cannot with safety greatly reduce his expenses under this head. The action of the Imperial Government makes the business therefore too risky a speculation for any careful business corporation and the ultimate effect of it will be that this Colony will not only suffer a very heavy loss of revenue, but will have to face a large increase in expenditure if it is to prevent the smuggling of opium and if it is to be the duty of the police to act up to the standard set by China in suppressing the habit of smoking opium. The Government, be it noted, is prepared to ask Parliament for a substantial contribution towards making good to the Colony the revenue which it is found to have lost as the direct result of measures adopted under their instructions. By the time the Colonial Government is able to ascertain with any degree of accuracy the revenue which has been sacrificed, it should also be in a position to form a rough estimate of the increase in expenditure resulting directly from the measures adopted under the instructions of His Majesty's Government, and we may hope that this too will be taken into consideration by Parliament in fixing the amount of compensation to be made to the Colony.

We assume this compensation will be made in the form of a reduction in the amount of the Military Contribution demanded from the Colony, though that is a question which might very well be reconsidered on its merits. The Military Contribution is set down in the Estimates for the current year as $1,210,739; while the amount payable by the opium farmer is $1,452,000. Though it is impossible to say at the present moment what loss of revenue will have to be faced next year, the Colony has to contemplate a rapidly progressive decrease down to the complete extinction of this source of revenue, save perhaps a comparatively trifling amount which may be derived from licenses to sell opium or opium compounds for medicinal purposes. Consequently the Colony must look to Parliament to correspondingly increase the annual compensatory grant until such time as new sources of revenue may be developed without prejudically affecting to any serious extent the interests of the Colony. We cannot see where the Government can look for new sources of revenue at present; but even were there no loss of the opium revenue to be contemplated the need already exists for an increase of revenue. The revenue last year fell short of the expenditure by six and a half lacs of dollars and in the estimates for the current year the expenditure is only covered by the loan of the Widows' and Orphans Fund amounting to nearly five lacs of dollars. No appreciable reduction in expenditure is immediately possible. Public Works extraordinary—such as the building of the new Law Courts, and Post Office, markets and waterworks schemes &c.,—during the last year or two have been costing the Colony over a million dollars per annum. A beginning is just being made with the typhoon refuge at Mongkoktsui which will cost the Colony a million and a half of dollars, and if an early completion of that undertaking is to be made, very large appropriations will be necessary during the next couple of years. Hence there is no immediate prospect of reducing expenditure on public works. Most of these undertakings were begun when the finances of the Colony were in a more flourishing and more hopeful condition, and the reduction in the appropriation for public works extraordinary which will automatically occur as these undertakings are completed is the only reflection in which the taxpayer can find comfort. The Colony is no doubt, duly grateful that the Government is prepared to ask Parliament to give a substantial contribution

towards making good the loss of revenue from the opium farm: our need seems likely to be great and we hope that the compensation will not fall short of the need.

RANDOM REFLECTIONS.

When I saw the Volunteers marching to church yesterday I was reminded of the sensation which is being caused at home by the performance of that new play "An Englishman's Home." Nothing short of a declaration of war has aroused the country to such a deep interest in military affairs and the state of our defences. It has evoked fresh discussions as to the inadequacy or otherwise of our system of defence, and the value of the Territorial Army is being debated in all seriousness. Some papers describe the play as a potent recruiting agency for the Territorials, while others regard it as a calumny, a reflection on our voluntary defenders quite undeserved. At any rate there seems to be little doubt that it points to the inevitableness of some form of compulsory military service. But the subject is too large and too serious for Roderick Random.

* * *

One thing which occurred to me was why our Volunteers here do not fall into line with the home movement by adopting the name of Territorials. Now that an Imperial army is being contemplated there seems no reason why the Hongkong Volunteers should not seek for that closer amalgamation in deed and in name which is so earnestly desired. The name would not make any great difference in the fighting force but it would give that sentiment of greater unity which is not without value. It would be the proper step to take at a time when there is so much talk about cementing the bonds of Imperial unity.

* * *

The unexpected happened yesterday. One volunteer in church was heard remarking to a companion "I'll bet you a bottle of beer we will sing 'Onward Christian Soldiers'." As the service was completed without the well known hymn being sung, the rash man found that he had let himself in for a matter of liquidation which was not disagreeable to his companion.

* * *

Biblical knowledge is apparently not the *forte* of our Hongkong barristers. Sir Henry Berkeley in addressing a jury the other day employed the argument that the shroff charged with embezzlement need not pay over at once money he collected but could put it in the bank, illustrating this with the parable of the man with the ten talents who was not upheld because he had not made use of the talents. The Attorney General discovered that it was the man with one talent who had not invested the the money entrusted to him and the Chief Justice, apparently anxious to prove that he had more than a nodding acquaintance with the Bible, added that the man was censured for not putting it out to interest. As the reporter described it, the incident ended. It remends me of the American pressman who was prevented by his editor from reviewing the Bible, a copy of which had just come in to his hands, as a new book.

* * *

Hongkong ladies have had a great time this week. Bargain sales have held their attention for several days and it is not too much to say that those who absented themselves from such fascinating scenes must have had powerful counter attractions. I have heard it whispered that several friendships have been broken because Mrs. Gottit was mean enough to bid again Mrs. Keen-on-it when the latter had made up her mind to get something cheap, and the other wouldn't let her have it. Aye, human nature is very curious, and more so when it is feminine.

* * *

How many bitter disappointments and blighted hopes the wet week-end was responsible for it would be difficult to estimate. The big programme of sport on Saturday was completely spoiled, and all outdoor exercise was prevented. No wonder smiles were not so numerous. After all, it makes us realise what a great part the sun plays in our lives.

I see the griffin has been complaining again. This time his effusion appears in a Straits journal to whom he confides that he has been "had." The journal in question refers to the unwisdom of young men at home who jump at offers to come East without making proper inquiries and who believe that they can have a good time and save money out of the seemingly princely salary offered. Disillusionment does not come until they have been about a month in the East. Then they feel that they have been badly let in. "But," asks the journal, "are the firms entirely to blame? We think not. Apart from a business instinct which makes men pay no more than is necessary to get the assistance they require, it may be questioned whether it is an obligation of employers to go into all the details of living abroad. It is the duty of the seeker after an engagement to see into its real conditions. Any sensible man should know that when three or four times the home salary is offered for service abroad there must be counterbalancing disadvantages somewhere. The climate may be unhealthy or the position dangerous in some way. If not the cost of living makes the difference."—Such a view is not all unreasonable.

* * *

Some folks down in Ceylon are indulging in what has been termed "baiting the governor." Apparently some thin skinned members of the community have got the idea into their heads that the word "padre" used to designate a priest or a chaplain is slang and that His Excellency the Governor was lacking in good taste when he made use of such an expression. The Catholic Union of that place is very much annoyed and threatens to refer the matter to the Secretary of State. It is difficult to understand any sensible folks becoming excited over such a trivial thing and we can only deplore the lack of intelligence which was responsible for the matter attaining such publicity. It resolves itself into "Much about nothing."

RODERICK RANDOM.

HONGKONG.

Quarantine restrictions have been imposed at Orissa ports against arrivals from Hongkong.

The Hongkeng Ice Co., Ltd are meeting competition by reducing the price of ice from this date to half-a-cent per lb.

At the Magistracy on Saturday Mr. J. H. Kemp committed a native for trial for being in possession of sixteen spurious $10 bills.

Sir Henry Berkeley, K.C., is acting as Attorney General in the absence of the Hon. Mr. Rees Davies, who has gone home on urgent private business.

The appeal issued by H.E. the Governor for donations towards the endowment fund of the proposed University in Hongkong has, we notice, been translated and published in full in *L'Avenir du Tonkin*.

The Parsee named Marchant whose extradition was asked by the American Government for the embezzlement of 650 pesos has expressed his willingness to return to Manila to take his trial there.

The lesson of stamping receipts is still being taught in the colony. On the 10th inst. at the Magistracy the compradore of the s.s. *Kwong Tai*, sailing between Hongkong and Wuchow, was fined $20 for failing to stamp a ship's receipt for goods consigned to Wuchow, the value of which was only twenty cents. Detective Sergt Murphy prosecuted.

The case in which the British-American Tobacco Company proceeded against Kan Tuk Kai, partner in, and manager of, the Chinese Brothers Tobacco Company, for falsely applying to packets of cigarettes marks resembling the trade mark of the defendants, has been amicably settled, the defendants having given an undertaking at the Magistracy to destroy all the trade marks, labels, wrappers and packets seized in the proceedings, with all facsimiles thereof, and agreed not to use nor apply nor cause to be used nor applied such trade marks, labels, wrappers, and packets like those seized. Mr. H. J. D. Stephens, who appeared for the prosecutors, said his clients were willing to withdraw the summons on such an undertaking being given and Mr. G. K. Holmes consenting for the defendants, the case was settled.

We are informed that Mr. Lau Chu Pak, at the invitation of His Excellency the Governor, has been elected a member of the Hongkong University Committee.

The meteorological observations made at the Hongkong Observatory during the month of February show that the average maximum temperature for that month was 64.3 degrees and the average minimum temperature 57 degrees. The total rainfall for the month was 1.660 inches, while we had 85.6 hours of sunshine.

The Colonial Secretary's Office notifies us of the receipt of a telegram from the British Consul at Batavia stating that Hongkong has been declared an infected port. Mr. Bakhuyzen Consul-General *a.i.* for the Netherlands, informs us that he has received telegraphic information from H. E. the Governor General of Netherlands India that he has declared Hongkong infected with plague.

A European reported to the police that he had lost his gold watch and chain at the Races on the 17th February. A few days later the police arrested the man who pawned the watch, subsequently they discovered the thief, and not long afterwards they captured a boarding house keeper with the chain and the pawnticket in his possession. All three were brought before the Magistrate yesterday and remanded.

Lovers of classic music had a rare treat last week when the Herbert Withers Company gave three concerts at the City Hall. As is already known, this combination is composed of leading artistes in the musical world, whose reputation is not confined to one country, and their appearance in Hongkong must therefore be regarded as a noteworthy event.

Exemplary punishment was on Mar. 11 meted out to Private Hanson of the Buffs who was convicted of an unwarranted assault upon a ricsha coolie, The soldier offered the coolie one cent in payment of his fare and when the latter protested he struck him on the cheek, knocking out two of his teeth. Mr. Kemp ordered the defendant to go to prison for one month and to pay $15 compensation or in the alternative another months' imprisonment.

His Excellency the Governor laid before the Legislative Council on Mar. 11th an important communication from the Secretary of State for the Colonies in which a complete abolition of opium divans in the Colony is insisted upon after the present contract with the Opium Farmer expires; and stating that the Home Government were prepared to ask Parliament for a substantial contribution towards making good the loss to the Colonial revenue which the carrying out of these instructions involves.

An Indian who visited the Post Office the other day accidentally left his purse behind, and when a schoolboy came along a little later to buy a stamp for his school fees he was asked by the attendant who just then discovered the purse if it belonged to him. Nothing loth, the boy replied that it did and the purse was handed to him. When the Indian returned for his purse, the attendant informed him of what had happened, with the result that the police were put on the track of the boy who was on Mar. 9 brought before Mr. Wood at the Magistracy and ordered to receive 12 strokes with the birch.

At the Magistracy on Mar. 9th Arthur Zeitch was sentenced to three months' imprisonment for obtaining from the proprietor of the Stag Hotel food and lodgings by means of a forged document and also by means of false pretences. Apparently prisoner, representing that he was engaged on the Canton Kowloon Railway and that that undertaking would guarantee his expenses, obtained accommodation at the hotel a few months ago, and shortly after he had been installed there the proprietor received a typewritten document purporting to be a guarantee of the prisoner's expenses. After he had been living there for some time he asked the landlord to advance him some money as he wished to go to Canton. This was done but the prisoner did not return and when the landlord wrote to the Resident Engineer asking for payment of his bill he was informed that nothing was known of the man. Prisoner now said he was sorry and offered to pay the landlord back $20 out of the money which he had but on receiving his sentence he declared that the proprietor "could sing for his money".

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Hongkong Legislative Council was held on the 11th inst.in the Council Chamber.

The following were present:—

His Excellency the Governor, Sir Frederick John Dealtry Lugard K.C.M.G., C.B., D.S.O.

H. E. Major-General R. G. Broadwood, C.B., A.D.C., (General Officer Commanding).

Hon. Mr. F. H. May, C.M.G., (Colonial Secretary).

Sir Henry Berkeley, K.C., (Acting Attorney-General).

Hon. Mr. A. M. Thomson (Colonial Treasurer).

Hon. Mr. W. Chatham, C.M.G., (Director of Public Works).

Hon. Mr. E. A. Irving (Registrar-General).

Hon. Mr. F. J. Badeley, (Capt. Superintendent of Police).

Hon. Dr. Ho Kai, M.B., C.M.G.

Hon. Mr. Wei Yuk, C.M.G.

Hon. Mr H. E. Pollock, K.C.

Hon. Mr. E. A. Hewett.

Hon. Mr. H. A. W. Slade.

Hon. Mr. W. J. Gresson.

Mr. A. G. M. Fletcher (Clerk of Councils).

MINUTES.

The minutes of the last meeting were read and confirmed.

PAPERS.

The Colonial Secretary, by command of H.E. the Governor, laid on the table the following papers:—Jury List for 1909; Memorandum regarding the restriction of Opium in Hongkong and in China.

FINANCIAL.

The Colonial Secretary.—I have the honour to bring up the report of the Finance Committee, No. 1, and to move its adoption.

The Colonial Treasurer seconded and the motion was agreed to.

PUBLIC WORKS COMMITTEE REPORT.

The Colonial Secretary,—I have the honour to lay on the table the report of the Public Works Committee, No. 2 of 1908, on the proposed new Peak tramway, (printed elsewhere) and to move its adoption.

The Colonial Treasurer seconded, and the motion was agreed to.

QUESTIONS.

The Hon. Mr. Pollock asked the following questions standing in his name:

In view of the comparatively small cost of putting up a fixed light, similar to that on Mahwan Island, to indicate the South-eastern entrance to the Capsuimun Pass, will the Government have such a light put up?

Will the Government consider the advisability of making arrangements for the signalling of typhoons, by wireless telegraphy, from one of Pratas groups of islands? Has the Government any information to communicate to the Council upon this subject?

The Colonial Secretary replied. He said in answer to the first question:—

The Harbour Master advises that a light such as the Honourable Member suggests would be of no practical utility for the following reason: (a) If the weather is thick the light would be of no use, being invisible: and if it is clear there is a perfect leading light in Green Island light, which leads straight through the channel between Mahwan and Lantau. (b) There are no cross currents in the vicinity, so that all the Master of a vessel has to do is to steer his well known course from the anchorage, until Green Island Light gets upon its proper bearing, when he can turn up through the channel, on a well known course, with Green Island light dead astern of him as a check: the tidal stream will be either directly with him or directly against him. The finances of the Colony, as the Honourable Member is aware, are not in a condition to admit of expenditure even on minor works unless urgent necessity is shown, and as at present advised the Government considers that the most urgently required light (when funds admit) is that on the Channel rocks advocated by the Committee appointed in 1907. I may inform the Honourable Member that the Harbour Master has received a very widely signed petition from Masters of River Steamers advocating the light which forms the subject of the Honourable Member's question and another on Tong Ko Island, but advancing no reasons whatever, and enquiry is being made on the subject from the signatories.

In answer to the second question the Colonial Secretary said:

The Government cannot hold out any hope of being able to make arrangements for the signalling referred to. If the Honourable Member will repeat his question in three or four weeks' time the Governor hopes to be able to make a statement, but, at the present moment, he is unable to do so.

THE OPIUM QUESTION.

His Excellency—Gentlemen, I rise to make a statement on the subject of the opium question, concerning which a paper has been laid on the table to-day, and which I promised the Council to make on as early a date as possible. It was on May 14th last that the hon. member who at that time represented the Chamber of Commerce on this Council asked me several questions with regard to telegrams which had appeared in the local Press announcing that His Majesty's Government had stated in Parliament that all opium divans were to be closed forthwith. I read the telegram which I had received from the Secretary of State and I informed the hon. member that I had sent a long confidential telegram in reply explaining very fully the difficulties which such a course would involve, and asking the Secretary of State to defer any final decision until he had received a despatch from me on the subject. On May 28th the same hon. member brought forward a resolution in this Council, and he supported it in a long and able speech in which he criticised the action of His Majesty's Government. The resolution was supported by all the unofficial members of the Council. I informed them that I would forward a copy of the debate to the Secretary of State, and I said that I had myself confidence that when the Secretary of State received my despatch he would not act in any precipitate manner, but would take into consideration the difficulties which I pointed out. As soon as I received the telegram on the 7th May, we took steps to ascertain the effect upon the revenue of the Colony if all the divans were at once closed. The Opium Farmer showed great confidence in the fair dealing of the Government and a broad spirit in allowing his private books to be thoroughly examined. This task I confided to Mr. Clementi, who conducted it in an exceedingly able and exhaustive way. I think there are few Europeans in this Colony who would have been competent to conduct such a task and carry it through in such time and collect such a mass of valuable material as he did (applause), and the Government is very much indebted for the stupendous and exhaustive task which he undertook. One result of the examination was to show that the charges which have from time to time been made against the Opium Farmer here of smuggling opium into China have no apparent foundation in fact, and the farmer therefore benefited by his straightforward action in allowing his books to be fully inspected by Government. The further investigation was entrusted to Mr. Hutchison into the conditions and statistics of the divans of the Colony. These investigations were completed in the months of June and July. Early in June I received a copy of the Home *Hansard* giving a full account of the debate of May 7th, and it was then evident that the Secretary of State had in point of fact stated that it was the policy of His Majesty's Government that all divans should be forthwith closed. I wrote at once on June 13th to the Secretary of State, urging some delay. I suggested that half the divans should be closed in March 1909, and the remaining half should be closed in March 1910, not till the contract of the Opium Farmer should expire. I pointed out to him that the immediate closure of the divans would involve the Government in a very heavy claim for compensation, a moral claim if not a legal one for compensation to the Opium Farmer as well as the other divan keepers whose licences I was unable to cancel except for breach of their conditions until they should expire, unless by special legislation. My object was to gain time, for I could not ignore the orders which had been communicated to me by the Secretary of State over a month previously. There was a further debate in the House of Commons on July 28th. The Secretary of State had at that time received my despatch of June 13th, and when he pledged His Majesty's Government "to act on the advice they had recently obtained and would obtain from the Governor of Hongkong" he supposed I was prepared to recommend that half the number of the divans should be closed in March 1909 and half in March 1910. As a matter of fact, I had never intended to advise that course. My intention had been limited to urging it as a reprieve of the immediate abolition to which I did not see my way to give effect. Following the debate in the Home Parliament the Hon. Mr. Stewart on September 24th moved a second resolution in this Council condemning the reasons which had been given by the Under Secretary of State in the House in support of the policy of His Majesty's Government, and in a long and able speech he subjected the policy of the Home Government to very severe criticism. I said in reply that the Under Secretary of State had hoped that the best opinion in Hongkong and the opinion of the Governor would be found to coincide with the measures proposed. It was on that same day, September 24th, that I introduced the Estimates for the year to the Council, and I told hon. members that no provision had been made in those estimates to meet any expenditure as to compensation to the Opium Farmer or the opium divan keepers, or to meet any decrease in revenue which might result from any measures taken with regard to the Opium Farmer. I did so in the first place because no finality had been reached in the question, and in the second place because the estimates already showed a deficit of $72,000 and there was no money at my disposal with which to make provision. I added that if, consequential on the policy of the Home Government, it should be necessary to make any further taxation, hon. members would have full opportunity of debating the whole question when the proposals for new taxation were laid before the Council. The general position as regards the finances of the Colony, as I explained on that occasion were extremely disheartening, owing partly to the large expenditure on the railway, partly to the great loss on exchange, as well as to many other causes. The year 1908 showed a deficit estimated at about 6½ lacs, which reduced our reserves from one and a half million to about nine lacs, and we should have had a deficit of nearly five lacs to provide in the current year had it not been for the fortuitous windfall created by taking over the Widows and Orphans Fund amounting to four and a half lacs, which we must regard as a loan to carry us over our difficulties Meantime no action had been taken with regard to closing the divans because on the one hand I was waiting for the Secretary of State to reply to my despatch, and I was also waiting for the reports of Messrs. Clementi and Hutchison, and I desired to have more precise information as to the financial position of the Colony. In the meantime I took the opportunity of very carefully studying the question, and I prepared a memorandum with the object of showing first of all that Hongkong had not been so apathetic and indifferent as it had been represented in the House of Commons by Messrs. Taylor and Johnson; and secondly with a view to representing the "reasoned opinion" which the Under Secretary of State had asked for in his speech in the House. I based the memorandum largely on the reports of Messrs. Clementi and Hutchison regarding the working of the farm and the condition and statistics of the divans. These reports and the financial statistics were available in about the month of August, but the pressure which hon. members know is generally involved in the preparation of the Annual Estimates, together with the work of verification of references in regard to the memorandum, took some little time. It was not until October that I was able to submit the memorandum to the Secretary of State, together with the despatch in which I submitted proposals for giving effect to the policy which His Majesty's Government had announced. I telegraphed on October 23rd asking the Secretary of State to cancel my former

despatch, and to await the arrival of one I was now submitting. I desire with regard to this, to explain to the Council that the proposals involved a very considerable modification of the declared policy of His Majesty's Government. I was for that reason unable to lay them before this Council until I knew what the attitude of the Secretary of State would be towards them. They were very fully discussed in the Executive Council. I requested the Secretary of State to permit me at as early a date as possible to communicate to this Council the action which has been taken in this matter, which so vitally affected the finances of the Colony. The proposals which that despatch contained I will summarise as follows: In the first place, that steps should be taken to diminish the available supply of opium for consumption in Hongkong proportionately to the decrease in the export from India, and in the production in and the export from China. This decrease being progressive in accordance with the pogramme put forward by the Chinese Government would lead to the total cessation of the supply in ten years, supposing that within the same period China has ceased to produce and export opium. To this end I suggested that for the remaining year of the present contract the maximum number of chests which the farmer is entitled to purchase should be reduced from 1800 to 1200 a proposal to which he was willing to agree without claiming compensation provided that divans were not abolished, and that in the new contract it should be further reduced to 900 (which is about the average consumption of the last few years) with a progressive decrease in each succeeding contract, so long as the Indian Government follows a similar policy with regard to its exports. In the second place I suggested some further restrictions upon the farmer in the new contract with a view to the more effective control of his operations. I also informed the Secretary of State of the increasing use of morphia and of opium compounds in the form of pills, and of hypodermic injections of morphia, and I explained to him the efficacy of the Hongkong legislation in regard to these. I told him we had it under consideration still further to increase these restrictive measures by legislation. With regard to divans I gave it as my own opinion that they form in this Colony a useful means of control. I explained their nature, which I believed not to be fully appreciated in England, and I said that I had fears lest their entire abolition might demoralise domestic life by compelling smokers to smoke in their women's quarters, and by extending the influence of bad example. Finally I informed Lord Crewe of the financial condition of the Colony, and that in that year, 1908, we had a deficit of six lacs, with a further deficit of five lacs in 1909 I pointed out that in addition to this the grave situation of the public finances was further aggravated by personal losses due to typhoons, the fall in the rate of exchange, and also to the heavy trade depression which has weighed upon the Colony for the last few years. I described the negotiations undertaken with the farmer, and I estimated the total abolition of the divans would cost this Colony upwards of five lacs of dollars. I added finally that in the present condition of the Colony it was practically impossible to meet any loss unless his Majesty's Government saw their way to make a grant for the purpose. Although these proposals were in point of fact inconsistent with the declared policy of His Majesty's Government, they provided in substitution of that policy, a means of restriction which I, for my own part, considered to be at least equal, and perhaps more effective (hear, hear). I asked the Secretary of State to reconsider by the light of the opinion which I gave him, and having regard to the financial position of the Colony, the decision at which the House of Commons had arrived. The Secretary of State informed me that His Majesty's Government had pledged themselves in Parliament that they would not recede from the policy of abolishing the opium divans in Hongkong as soon as may be, and to that pledge they would steadfastly adhere. At the same time His Majesty's Government recognised that there were grave difficulties in the way of immediate action to as great an extent as they would desire. The Secretary of State acknowledged that I had brought forward weighty arguments to illustrate both the possible dangers attending precipitate action, and also the degree to which effective measures in Hongkong must be dependent on the course of events on the mainland. He said that the Conference at Shanghai would afford fuller information to Government as to what has actually been accomplished in China in the direction of closing divans, and limiting the production of opium, and would furnish valuable suggestions for treatment of the question as a whole. The Secretary of State added:

"Taking all these circumstances into account, and influenced by their strong desire not to impose an undue burden on the Colony, His Majesty's Government are prepared to proceed gradually in the course which they have decided to adopt, and while arranging for the immediate reduction to defer the final and total abolition until after March 1910 By that time the existing opium farm will have expired, and the difficulties arising from the contract with the Farmer will no longer present themselves, while the intervening period will allow time for the receipt and due consideration of the Commissioners' recommendations. But it is necessary that steps should be taken forthwith towards carrying out the policy to which His Majesty's Government are pledged. I have been in telegraphic communication with you on this aspect of the question, and I learn that as the result of discussion with the Farmer you will be able to arrange, without giving rise to a claim from him for compensation, that the maximum amount of opium which he is permitted to prepare for local consumption shall be reduced to 1000 chests during the last year of the farm, and that 26 divan licences shall be extinguished forthwith, as they expire. Whatever compensation may be found to be equitably due to the holders of these licences will be provided from Colonial revenues. His Majesty's Government have decided, under all the circumstances of the case, to accept these proposals as a first step in the realisation of their aims and as an earnest of the future co-operation of the Colony. It would be premature to discuss, on this occasion, the arrangements which will come into force in March 1910. I shall doubtless hear further from you on the subject in due course, and I need only remark here that His Majesty's Government cannot admit the possibility of any divan licences remaining in force after that date, and that in framing any recommendations you may submit, you should be governed by this consideration. His Majesty's Government recognise that as a result of giving effect to their policy the Colonial revenue must suffer a loss which it would be impossible for the local Government wholly to replace. The amount of that loss cannot be estimated until the conditions which will obtain after March 1909 are known with some degree of accuracy, but when the time arrives His Majesty's Government on their part will be prepared to ask Parliament to give a substantial contribution towards making good to the Colony the revenue which it is found to have lost as the direct result of measures adopted under their instructions."

(Hear, hear). The final result therefore gentlemen, is that 26 licences were not renewed on March 1st last. There may possibly be some small compensation for good will, but it will be quite a small sum. No compensation is asked for by the farmer for any steps which are now being taken, and there is no other cost or loss which falls within the present year. The next contract will have to be issued under some restrictions as to the amount of opium which may be brought into the Colony and the number of divans which will be allowed. There will also be some minor restrictions regarding control of the farm, and it is probable that under these circumstances the tender for the next farm will be somewhat lower than the amount paid by the present one, but we have the promise of His Majesty's Government to give us a substantial contribution towards meeting any loss which may occur, through the direct result of the measures prescribed by the Imperial Government. I have always felt certain that on receipt of information regarding local conditions, the Imperial Government would on the one hand decide that precipitate action would be impossible, and on the other hand deal justly and generously with the Colony. I am glad that both of these anticipations have been realised (applause). The Secretary of State adds in his despatch the following words, "I have read with regret the observations in the Legislative Council which you have brought to my notice. The supposition that His Majesty's Government have acted with indifference to the views and interests of the inhabitants of Hongkong is entirely erroneous. It is a matter of much concern to me that, at the moment when this question assumed an acute form, the Colony should be suffering from an interruption of its prosperity which, though (as I hope and believe) it is only transient, has materially increased the difficulties of the position. His Majesty's Government have been unable to see that they had any option in the matter, for the growth and strength of the movement in China have rendered it impossible that they should abstain from corresponding action in British territory for which they are responsible. I shall be slow to believe that public opinion in Hongkong can be permanently at variance with that of this country on such a question, and I must ask you, and the community over which you preside, to accept the assurance that the policy which His Majesty's Government have adopted has been dictated by paramount considerations of their duty to civilization." I have spoken, gentlemen, at some length as the seriousness of the matter demands. I have not laid the whole of the despatches on the table, in the first place, because they are very lengthy, and in the second place, as Council will realise, they contain matter which it would be inadvisable to put in a State paper. I have, however, given you their purport very fully, and I quoted everything from my own despatches which it was necessary to do for a full understanding of this matter, and as for the Secretary of State's despatch I have for the most part quoted *ipissima verba* in all essential particulars. The memorandum which I have laid on the table to-day has been largely re-written in order to omit all passages based on confidential information, or which might give umbrage to other Powers. It contains some matters which I hope members of Council will find of interest in perusing.—(Applause.)

MERCHANT SHIPPING ORDINANCE AMENDMENT

The ACTING ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance further to amend The Merchant Shipping Ordinance, 1899. In doing so he said—The object of the Bill is to bring into force in this Colony certain provisions of the Merchant Shipping Act passed by the Imperial Parliament in 1906. Among others it is intended to incorporate in the local Merchant Shipping Ordinance provisions extending to foreign ships duties and liabilities with respect to deck and load lines, and life-saving appliances which at present extend only to British shipping.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

The Council afterwards went into committee to consider the Bill, and on resuming His Excellency reported that the Bill had been left in committee.

HUNGHOM RECLAMATION.

The ACTING ATTORNEY GENERAL moved the second reading of the Bill entitled An Ordinance to authorise for public purposes the reclamation of certain portions of the Crown foreshore and sea bed situate in Hunghom Bay in the Colony of Hongkong and to validate such reclamation as has heretofore taken place. In doing so he said—The Bill is necessary for the purpose of taking authority to reclaim that portion of land in Hunghom Bay required for the railway. The Bill also provides that work done prior to the passing of the Ordinance shall be valid.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

The Council then went into committee to consider the Bill clause by clause.

Hon. Mr. GRESSON—I should like to know the meaning of the marginal note "extinction of public rights."

The ACTING ATTORNEY GENERAL—The rights to go upon the foreshore, to fish, to prsead nets, and so on.

Hon. Mr. GRESSON—The point I would like to make is that if you can bring in an Ordinance now to extinguish public rights it would be quoted in future as a precedent. In this case the rights are of no great importance, but as a a matter of principle it does not seem to be reasonable. People may have rights, and in years afterwards, according to this Ordinance. you can legislate to take away public rights, It seems to me a bad principle.

The DIRECTOR of PUBLIC WORKS—The only rights are the rights of small craft sailing over the area and persons occasional fishing there.

His EXCELLENCY—It does not in my view lay down any general principle.

Hon. Mr. GRESSON—This might be cited in future when you wish to introduce a similar bill, It seems to give the Government right to resume any land by the passing of an ordinance.

The COLONIAL SECRETARY—They have the right now.

Hon. Mr. GRESSON.—People will hesitate to buy land if you can take away rights by ordinance. It will limit your land sales.

The COLONIAL TREASURER—There are no public rights here whatever.

Hon. Mr. GRESSON—The time might come when there would be important rights concerned.

Hon. Mr. POLLOCK—This applies to public rights not to private rights.

His EXCELLENCY—Have you any amendment?

Hon. Mr. GRESSON—I thought perhaps it was a mistake.

His EXCELLENCY—You wish the marginal note altered?

Hon. Mr. GRESSON—Yes. It seems very drastic.

The marginal note was altered to read "determination of public rights," and with several other verbal alterations the Bill passed through committee.

The ACTING ATTORNEY-GENERAL—No one dissenting, I move that the Bill be read a third time.

The COLONIAL SECRETARY seconded, and the bill was read a third time, and became law.

His EXCELLENCY—The Council stands adjourned till this day fortnight.

A NIGHT OF MIRACLES.

On March 8th at the Central Police Station was more than usually interesting by reason of the two apparent miracles that were worked in the charge room, an apparently dead man being brought to life again and a presumably deaf man being made to hear. The two men were brought to the station by a detective. He, keen officer that he is, hearing a whistle blown in Des Vœux Road, proceeded in the direction of the sound, and came upon a man lying on the ground, while another was making off. One of the Tram Company's linesmen came to the assistance of the officer and captured the runaway. Meanwhile the officer examined the fellow on the ground. He lifted an arm, only to see it fall limply by the prone man's side. He tried his leg next with the same result. Then he opened an eye, but rather remarkable, the optic closed again. Nonplussed, but suspicious, the detective took the pair to the station, where in the presence of an Inspector, the same performance was repeated. The astute officer, determining to bring the farce to a conclusion, speaking in Chinese, told a lukong to fetch the plague ambulance as the man was dying with plague, and that in the interval he would have to operate upon him with a knife and open his neck. The right eye of the recumbent man opened slightly when the words were spoken, but he still remained on the floor. When the scissors were produced and the detective made as if to cut under the man's ear the apparently dead man leaped to his feet and declared that he was quite well. The farce did not end here though. The other man, who feigned deafness, was next treated. The detective discovered that he also suffered from plague and made pretence to operate on his neck with the scissors when this man also found his hearing and joyfully asserted that he was quite well again. All that he wanted was compensation from the other man with whom he had fought. Both rascals got their liberty and the police remained to laugh.

BRITISH AND FOREIGN BIBLE SOCIETY.

ANNUAL MEETING OF THE HONG-KONG AUXILIARY.

The first annual meeting of the Hongkong Auxiliary of the British and Foreign Bible Society was held on the 10th inst. at the City Hall. The Hon. Mr. May was announced to preside but as he was called to Canton, the Hon. Mr. H. A. W. Slade took the chair in his absence. Supporting him were his Lordship the Bishop of Victoria, the Revs. E. J. Barnett, T. W. Pearce, Dr. Wilder (American Consul General), and W. G. Humphreys.

The meeting have been opened with devotional exercises.

The CHAIRMAN explained that he took the chair in the unfortunate absence of Hon. Mr. May, and as he had to plead utter ignorance of the working of the Society he asked them to excuse him from any remarks and he would call upon Rev. Mr. Pearce to read the report.

The first annual report stated: Throughout the year under report the purposes which the auxiliary is intended to serve were kept in view: and a measure of success distinctly gratifying has attended the efforts of the general committee to carry them into effect.

Special mention should be made of services rendered by the ladies committee. Reference to the treasurer's statement will show that the financial aid accruing to the Society from the work of this auxiliary during the year is, to the extent of $756.50 due to the well-timed activity of lady collectors. The committee records its appreciation: each following year will it is hoped be marked by a further advance.

Bible Sunday was duly kept in the churches of the colony. In the local Chinese congregations, special attention was directed to the Society's methods of distribution by colportage a form of Christian service that is calling for the highest consecation and the noblest energies of the Church in China. Appeals of clergy and ministers were based on the Divine command for a world-wide evangelization; and the oniversal disseminatiun of the Sacred Scriptures was spoken of as a test of obedience to the risen Saviour and a first efficient means of witnessing to the power of His resurrection life.

Church collections have place in the treasurers' statements attached, and will be acknowledged in the general report issued at Shanghai by the Society's agent in China. Efforts of the kind made in the local churches on Bible Sunday, have, however, and issue that cannot be set down in a Balance sheet: thought is quickened, purpose is enlarged and motive power is given for the promotion of Bible work in an even-widening field.

Sale of Scriptures from the depot during 1908 were in the under-mentioned eleven European and Asiatic languages:—English, German, French, Spanish, Portuguese, Russian, Hebrew, Greek, Punjabi, Chinese, and Japanese. A total of 8187 copies were thus disposed of consisting of 1545 Bibles 2358 New Testments and 4284 Portions.

In 1907 there were sold at the depot 1004 Bibles, 2778 Testaments and 1097 Portions. The increase for 1908 is therefore approximately 67 per cent. For these pub'ications the sum of $1,426.67 was received.

The Rev. Mr. PEARCE commented upon various items in the report, drawing attention to tho support given by fellow Christian Chinese to the work of the Society, and pointing out that if there was one platform on which men of different races and tongues could stand together it was the platform of the British and Foreign Bible Society.

Bishop LANDER the nmoved the following resolutions: "That the General Committee for the year 1908 be re-elected for the current year with power to add to their number," "that the Ladies Committee be thanked for special Services rendered during the past twelve months and be requested to continue for a further twelve months with power to add to their number," "that Dr. Sanders the hon. treasurer and the Rev. T. W. Pearce the hon. secretary be asked to remain in office for a further period of one year." Proceeding he said that he regarded the British and Foreign Bible Society as one of the most encouraging institutions in the Colony. The report presented by Mr. Pearce gave them ground for encouragement and they had to congratulate the ladies committee on their earnestness and success in collecting $750 last year. They were glad that Bible Sunday was so universally observed in the Christian churches on the part of the Chinese and the European community, and they were encouraged by the effect of the splendid meeting held last year to inaugurate this auxiliary. He remembered the stirring address which His Excellency the Governor gave on that occasion, as well as the speeches of the two experts who spoke at that meeting, but though he could not claim to be an expert in the work of the British and Foreign Bible Society he was always glad to do what he could to further its interests. It was a society which circulated the best book in the world. They would agree that the Bible was in itself its best defence. The question of its inspiration had been answered in this way. Does the Bible inspire? The Bible is a book which inspires those who read and study it, and the inspiration it gives proves it to be the inspired Word of God. If they could imagine a world from which the Bible had been withdrawn, he thought they would realise how much the world had lost. If there were taken away all Bibles, all quotations from the Bible, all institutions that had their origin in the Bible, they should be amazed. How much poorer the world would be? A great cry would go up throughout the world "Give us back our Bible." Literature, law and the arts were very much more dependent upon the Bible than most people supposed. His Lordship went on to speak of the comfort which the Bible gave to the dying, and proceeded to state that the society was founded on a very broad basis, among its officers being found the leading men of all the Protestant Christian churches. Under its aegis men of different nationalities and races could co-operate for the advance of Christianity, and in this connection he referred to the movement for a reunion among the Christian churches which was so strongly advocated last year at the Pan Anglican Congress. In working for such a Society as the British and Foreign Bible Society they were helping to forward the time when Christian people throughout the world should be one as our Lord and Master prayed they might be.

DR. AMOS P. WILDER said:—Missions are the subject of comment as regards personnel, method, efficiency; but there is an undisputed dignity and majesty in the unaccompanied circulation of the Bible. To question the potency of this book and the benefit of its distribution, is to argue with the stars. It is the motive power of our civilization; most or all we have we owe to it. As people absorb its teachings in their clarity and follow them, they become strong as individuals and as nations; as they forget or obscure its precepts, they decline. Japan seems to be an exception, yet this potential people is too young and modern to have run the gamut of all the tests of national life. It is remembered that Shintoism was not able to break the bonds that enveloped that nation. Its sages confess a debt to Christian impact, and hope is strong that the Faith will come to its own there as elsewhere. Men enjoy so much as the legacy of our fathers' devotion to this Book that in their arrogance some are wont to say that Buddha or Confucius offer an equally effective programme.

The only answer needed is to point to India and China. One finds virtues there, and whatever is good in man, wherever found, is divine; but how does the work of the Bible in uplifting, not individuals but the mass of men, compare with the fruit of the maxims of Confucius,—so excellent in precept and so futile to make a nation intelligent and progressive? If the great Teacher of the Chinese should return—should speak with his old time directness to corrupt Mandarindom how long would it be before he too were crucified? And "the little green god of India?—what man save in a cyncial mood, would claim for its unquestioned sway for thousands of years, the good things that Christianity has brought to millions of homes of the nations that rule the world? Chang Chih Tung said a decade ago: "The Western religion is daily flourishing; while the two cults are daily declining and cannot last

long. For Buddhism is on its last legs and Taoism is discouraged because its demons are spiritless."

Men are often discouraged by the shortcomings of our civilization and wearily conclude that it is a delusion. They are in a hurry for a paradise and seek to know the purposes of the Almighty. Some are confident that they could make a better world. One looks about him in the centres of the finest civilization and in social degradations, the inanities of fashion, in rotten drama and wolfish competition he reads decadance and decides that the life of the coolie is better. Men say and it may be true —that all civilization must flower only to decay; but amid the mutations of the social order and the crash of empires there is a remnant of virtue and strength and this men of faith believe to be the promise of a rehabilitated world. Christianity's dominance is attested by its vital principle. The pagan faiths have had great sway and onlookers have been dazed by their splendour, but once down, never live again. At different epochs Christianity has been obscured and made unlovely and defiled by the bigot, the mercenary and the sensual until just men have scarcely been able to "follow its gleam"; but now and anon through the centuries some brave, clear-visioned man has laid hold on the original teaching, dragged the divine thing from the human débris, and cried "Here is the Way!"; the undying nature of the message has reasserted itself, and once more the march has gone forward.

Culture is a good thing for the individual but culture has its perils; so we are not to reject civilization because it carries its peculiar evils. I know a man who reasons that because bar-rooms are most plentiful at the centres of education, material prosperity, refinement and church life that therefore they must be a good thing. He might as well say that insanity and suicide are good things because they are more frequent among overwrought minds of fine texture than among the stagnant intellects of South Sea Islanders. There is much flippant talk about this civilisation that generations of godfearing ancestors have worked out for us. We are ungratefully thoughtless as to what we have. What of the myriads of homes in your country and mine, the scenes of plenty growth, peace, of mutual respect, of deference for women; what of intelligence, self-control, mercy, truth, in the average man, woman and child? If you lose your watch in the streets of your home town, why is the chance of recovery so good? If you fall down sick, why so many strangers to care for you? Why do travellers feel safe in an English ship? They know if their child falls overboard, some Briton, careless of his life, will plunge after it. They know if the *Republic* goes down, some Captain Sealby will see the women and children off in safety, and stand by to go down with her. These things are not by chance, my friends; they were paid for with a price. Nations do not become strong and peaceful by the turning of a hand; no such scenes as I have instanced are common in paganism; and why? The motive power in man is the heart; out of it are the issues of life, and heathen faiths have not so influenced those who know their power. The strength of Christian civilization is due to the sanctions of the Bible in which generations have been trained. The Proverbs have made men cautious. The musings of Job have forced men to look to the stars in reverence. The warning of Isaiah have made them afraid. The grim, just, god-fearing figures of prophets and martyrs yet stalk in the souls of men who do not know it, and the God-man of Galilee still summons the sons of men to be pure, merciful and true to the end.

This society devotes its energies to the distribution of the Bible to all nations. It is now printed in full or in part in over 400 languages. This work is predicated on the proposition that the man who shapes his life on the teachings of the book will come to the full stature of manhood and that the people who make it their guide will slough off evils and take on benefits. We are especially interested in distributing the book among the Chinese; they are our neighbours, and knowing and esteeming the qualites we are almost a unit in saying no undeveloped people has the potentiality of these four hundred millions. We believe the book will do for them what it has done for the nations that have adopted it as the corner stone of their religious faith.

And what else will uplift China? Commerce, exploitation of resources, diplomacy, personal contact, secular education even, have had their way; they are hand-maids of truth, but they do not do the work. The Anglo-Saxon has rubbed against the Chinese for a century in South China, yet the crudest forms of superstition abound in almost every native home; tawdry dragons are carried about the streets to expel the plague; polygamy and slavery are common, and one may only infer the dark scenes that must be enacted under a system whose heaven can be bought or whose hell can be averted by burning coloured sawdust and vain repetitions. You say that our American-European phases of these coast ports are no less abhorent. We deny it absolutely. We confess the sorry showing, but we point out the constant protest, the disgrace attached to it, the periodic war on it; the promise from the operation of Christian resistance and uplift elsewhere of better days to come in the Far East. There is this all important difference: Pagan vice and ignorance are a dead incubus, with no hope from within. Paganism unaided never improves. In a Christian community where you find vice and degradation there is no peace, there is recurring protest; someone is for ever carrying forward the standard and bidding the line to come up; if one generation does not relieve the iniquity, better men and women to follow us force the improvement.

No, this Society and kindred projects bring the only hope poor old dead China can ever know. Globe-trotters comfortably ensconced by the hotel fire may conceive that because coolies patiently bear their chairs with a smile and mothers with burdens in their baskets and babies on their backs keep each other company up the precipice and divert their journey with good cheer, that therefore all is well; they do not know China. I have been in the interior and seen the poverty, the unprogressiveness, the disease, violence and death. As through village and walled town I have walked through the dreary monotony of ravenous hunger, filth, squalor, beggars and thieves—the pathetic trifling of soothsayers, and sad women kneeling to painted wood, and children pleading with fiendish gods of stone; as I have lain at night and heard the unmeaning pounding of drums and cries of superstition and suffering, I have said "What, in God's name, is the solvent of this awful gloom, distress and decay?"; and I found but one cheer: that was in the little knots of Chinese men, women and children gathered in neat, clean, peaceful rooms and learning of the Christ; in families happy in the new light and ambitious for their children; in schools taught by men and women with love in their hearts; in hospitals where suffering was abated by men whose skill was mastered in Christian countries. Here for the few was the order, cleanliness, the quiet, the mercy and consideration that you and I know as the common lot; and I realized as never before the meaning of the words "The truth shall make you free."

The resolutions were carried unanimously.

Mr. Humphreys proposed and the Rev. T. W. Pearce seconded a vote of thanks to the speakers and the Chairman. This was acknowledged and the meeting concluded with the Doxology.

A bill has been introduced into the Philippine Assembly providing that the legal rate of interest shall not exceed two per cent per month in monthly contracts and not over 15 per cent per annum in annual contracts. In a lengthy preamble to the bill its introducers explain that the Bill is taken from a law recently approved in the Spanish parliament for the purpose of putting an end to usury.

There was an inaugural ball in the Carnival auditorium at Manila on the 4th inst in honour of President Taft and in the course of the evening the Executive Committee sent off the following telegrams:—To President Taft. Washington:—"Participants Manila inaugural ball hail their old chief as their new chief. Heartily wish him all success". To Mrs. Taft, Washington:—"Participants Manila inaugural ball unite in affectionately greeting the first lady of the land."

AN INTERESTING WEDDING.

OWEN—SETH.

On Mar. 9 a large congregation which included H. E. the Governor, assembled at St. John's Cathedral, Hongkong, to witness the wedding of Miss Phyllis Irene, second daughter of Mr. Arathoon Seth, I.S.O. the Registrar of the Supreme Court, to Mr. Mackerlich Cyril Owen, son of the Rev. Cyril Owen, of Julfa. The service, which was fully choral, was conducted by the Rev. F. T. Johnson, M.A., Mr. Denman Fuller being at the organ. The hymns sung were "The Voice that breathed o'er Eden," and "Oh Perfect Love," the ceremony concluding with Mendelssohn's Wedding March. The bridesmaids were Miss Mabel Seth and Miss Georgette Harker, while Mr. Enos Seth acted as best man. The bride, who was given away by her father, was attired in a gown of white liberty satin, the long train falling in graceful folds, and draped at the sides with chiffon and orange blossom intermixed with myrtle, while her berthe and sleeves were of fine Florentine lace, embroidered with crystal and pearl. She wore a small wreath of orange blossom under a plain tulle veil, her ornaments being a pearl earring, a pearl necklace (the gifts of her parents) and a diamond star (the gift of the bridegroom). The bridesmaids' dresses were of pale blue ninon de soie made after the style of one of the beautiful patterns of La Maison Doucet, Rue de la Paix, Paris. The hats were of cream straw, trimmed with pale pink roses and forget-me-nots and finished with pale blue ribbon. They also wore blue slippers. The bride's mother wore a dress of white lace over black silk and a black hat trimmed with variegated roses. The bouquets carried by the bride and bridesmaids were gold slippers containing pink and white roses tied with pink and blue ribbons.

A reception was afterwards held at Norman Cottage, Peak Road, and was attended by a large number of guests who wished the young couple much joy, the Hon Mr F. H. May proposing the health of the bride and bridegroom in a very happy speech.

The happy couple left next day for Calcutta, where they will reside. The bride's going away dress was a brown cloth coat and skirt, tailor made, and brown hat trimmed with brown feathers.

The following is a list of the wedding presents:—

Mr, Mrs and Miss Armstrong, set of silver spoons. Dr and Mrs Atkinson, 6 Japanese silver tea spoons. Mr L. S. Arathoon, silver umbrella handle. Mr A. V. Apcar, silver tea set. Mr and Miss Arathoon (Calcutta), silver entrée dish. Mr A. C. Arathoon, cheque. Mr. and Mrs Allen, table centre. Mr Adboolcader, 6 scent bottles. Mr Abdoolarhim, silver cruet. Mrs Aitken, 2 silver salt cellars. Mr Apo, old Chinese curio.

Mr and Mrs Bonnar, silver dessert knives. Miss Barker, Miss Maker, Miss Gorham and Miss Gourlay, 4 silver salt cellars. Mr and Mrs Blanche, grass cloth tea cloth. Mr and Mrs Murray Bain, pair cloisoné vases. Mr R. E. O. Bird silver frame. Mr Bowley, 2 silver sweet dishes. Sir Henry and Lady Berkeley, travelling clock. Mr M. Brandao, cheese and biscuit stand. Mr H. Murray Bain, set lacquered tea-poys. Mr and Mrs J. M. Beck, silver photo frame. Miss Bird, picture. Mr. and Mrs. Edgar Barrett, Japanese silver butter dish. Dr and Mrs R. A. Belilios, silver tea caddy. Mr and Mrs Bolles, 2 glass and silver vases. Mr Bryer, 2 Japanese plaques.

Mr and Mrs R. Chapman, silver sweet dish. Capt. St. Clair, 2 silver sweet baskets. Mr Chan Chew, silver frame. Mr and Mrs Chapman 2 mother-of-pearl fruit dishes. Mr B. Chapman and Miss M. Chapman, 4 silver pepper pots. Mr G. G. Catchick, travelling clock. Mr and Mrs Craddock, 2 grass cloth tea cloths. Mr and Mrs Carter, 2 mother-of-pearl and silver sweet dishes. Mr Chau Long, silver bowl. Mr and Mrs Carvalho, pair silver vases. Mr C. Cooke, silver shoe horn. Mr and Mrs Chao Leep Chee, 6 silver tea spoons. Mr Chau Siu Ki, ivory and silver belt. Mr Chan Ah King, roll of silk. Mr and Mrs George Caldwell, 2 silver vases. Sir Paul Chater, silver tea set, silver salver and silver toilet set.

Mr and Miss Dixon, grass cloth cushion. Mr and Mrs Dealy, box of nut crackers. Mr and Mrs Dowley, cut glass scent bottle. Mr and Mrs A. J. David, 12 silver tea spoons, Mr A. David, 2 silver menu stands, Mr M. David, 2 silver napkin rings, Mr P. Davidson, silver tea caddy, Mr and Mrs Denison, pair of Satsuma vases. Mr and Mrs Donald, silver fish carvers.

Mr Ezra, salt cellars, Mr and Mrs A. Ellis, silver vase. Dr and Mrs Evan Jones, silver basket. Mr and Mrs O. I. Ellis, butter dish. Miss Ellis, Satsuma vase. Mr and Mr. G. H. Edwards, pair silver vases. Mr E. Ellis, gold and jade bracelet. Mr and Mrs Ellis, 2 silver sweet dishes.

Mr and Mrs Fen Shun, 2 gold and jade bracelets. Dr and Mrs Forsyth, 2 silver napkin rings. Mr Fung Wa Chun, 6 silver tea spoons. Mr Denman Fuller, fountain pen.

Mr T. M. Gregory, silver flower bowl. Mr D. M. Gubbay, Shanghai, silver fish carvers. Mr, Mrs and Miss Gubbay, silver jewel box. Misses Galluzzi, 6 silver dessert knives. Mr and Mrs Gompertz, 2 silver pepper pots. Mr K. A. Gubbay, silver sweet dish. Mr and Mrs Gilby, 2 entrée dishes. Masters Gilby chafing dish. Mr and Mrs David Gubbay, silver card case. Mr and Mrs George Grimble, 2 silver vases. Mr and Mrs Tom Griffith (Canton), silver powder box. Dr and Mrs Gröne, 2 silver vases. Mr Andrew More, 2 silver vases. Mr J. H. Gardiner, silver frame.

Mr Hall, silver cruet. Mr E. Haskell, opera glasses. Mr and Mrs Scott Harston, 2 silver sweet dishes. Mr and Mrs Hollingswörth, silver sweet dish. Mr, and Mrs H. K. Holmes, 2 silver sweet dishes. Miss Holmes, 2 Satsuma vases. Dr and Mrs Harston 4 silver menu stands. Mr and Mrs Henry Humphreys, 4 sweet dishes. Himly and Co's Staff, one gold and pearl brooch. Mrs and Miss Hazeland, 2 porcelain vases. Mr Hyndman. 2 silver napkin rings. Mr Hu Wing, clothes brush. Miss Humphreys and Miss V. Humphreys, 2 silver dishes. Mr and Mrs Ho Fook, 2 silver vases. Mr Ho Kom Tong, silver powder box. Mr, Mrs and Miss Harker, silver bowl. Mr and Mrs Hinds, silver scent bottle. Dr Ho Kai, silver fan. Mr and Mrs Shelton Hooper, cherry wood chair. Mr and Mrs Jones Hughes, 4 silver salt cellars. Miss Enid Hughes, 6 silver tea spoons. Mr Eddie Howard, 6 silver spoons. Mr O'D' Gourdin, silver bowl. Capt Hodgins, lacquered music stand and table. Mrs Hocking and daughters, cut glass bowl. Miss Shelton Hooper, silver inkstand. Mr and Mrs B. A. Hale, silver tea strainer. Mr and Mrs Ernest Hazeland, Japanese silk table centre. Mr and Mrs P. H. Holyoak, silver card case. Mrs and Miss Hance, blackwood frame. Mr and Mrs Ho Wing, 2 silver vases. Mrs Ho Tung, silver hair pin box. Miss Harsthorn, silver pen holder. Mr Hutchings, silk embroidered cushion. Hoosainally and Co., Maltese lace collar. Mr J. H. R. Hance. 6 Japanese lacquer plates and 6 grass lawn mats. Mr and Mrs Paget Hett, silver mustard pot. Mr Heldt, 4 silver salt cellars.

Dr and Mrs Jordan, silver tea set. Mr. Mrs and Miss Joseph, gold bracelet. Mr and Mrs Joaquim (Sourabaya), draft. Mr S. M. Joseph, 2 silver vases. Messrs Joseph and E. Chan A Tong silver cruet and 6 silver tea spoons.

Mr and Mrs Kemp, coffee pot. Mr Ellis Kadoorie, cheque. Dr Keyt, 2 silver vases. Miss Kraft, silver sweet basket, Mr and Mrs Spiers Koll, 3 bronze vases.

Mrs G. R. Lammert, 3 sweet forks. Mr Leung Pin Chi, 2 satin cushions and satin table cloth. Mr Leung Chin Kong, amethyst necklace and embroidered silk dress. Mr George Lammert, pearl brooch. Mr and Mrs Longuet, picture. Mr Lau Chu Pak, 2 silver tooth-pick stands. Mrs and Miss Loureiro, grass cloth table cloth. Mr and Mrs Jose Loureiro, 1 doz. grass cloth serviettes, Mr Edward Loureiro, satin gold embroidered purse. Mr Frank Loureiro, Japanese fancy box. Mr and Mrs Cornwall Lewis, 6 silver tea spoons. Mr and Mrs H. A. Lammert, silver frame. Mr and Mrs Clement Logan, 2 silver vases. Mr and Mrs J. Leiria, silver bread crumb brush. Mr and Mrs Leung Wing Cheong, silver frame. Mr Li Kze Chin, jade brooch. Mr Lau Pan Chin silver bowl. Mrs Lum Sui Sang, silver ink stand and penholder. His Excellency Sir Frederick and Lady Lugard, silver bowl. Mrs Lee, 2 silver serviette rings. Mr Frank Lammert, silver and mother of pearl writing set.

Mr Ma Hang Chow, mother-of-pearl sweet dish. Mr T. Meek, 4 silver salt cellars. Mr and Mrs M. S. Martin (Singapore), 2 silver sweet dishes. Mr Martin (Kobe), Kaga tea set. Mr J. H. N. Mody, silver kettle. Mr H. N. Mody, gold purse. Mr Mok Man Chung, 2 ebony chairs, Mr J. A. C. Munro (Calcutta), cheque. Mr M. Manuk, 2 silver candle sticks. Mr L. A. Musso, 4 silver salt cellars, Mr and Mrs F. H. May, 2 silver candle sticks. Mr and Mrs Maitland, silver blotting pad Mr and Mrs Mirza, Japanese tea set. Dr L. P. Marques, 1 doz. brass finger bowls and plates. The Marquis and Marchioness di Oriolo Musso, silver frame. Mr Ernest May, 2 silver vases. Mr C. D. Melbourne. 2 silver and mother of pearl fruit dishes. Mr and Mrs D. Macdonald, silver ice pail.

Dr Noble, 4 silver sweet dishes. Mr and Mrs Nissim, 6 silver bowls. Dr Pinto Novaes, 2 silver pepper pots. Mr and Mrs Northcote, travelling clock. Miss Ida Ng, pair of silver chop sticks, Mr H. M. H. Nemazee, 6 silver finger bowls,

Mr Cyril Owen (Rangoon) drafts for bride and bridegroom. Messrs Owen, punch bowl. Mr C. Cyril Owen, family bible and wedding-day album. Mr Graca Ozario, silver card case.

Dr and Mrs Pearse, gold mirror. Mr T. L. Perkins, Poetical Works of Robert Burnso. Mr and Mrs Piercy, tea cloth. Mr and Mrs Henry Pollock, silver purse. Mr Ernest Pearce, silver toast rack. Miss Connie Pearce, ivory card case. Mr Mrs and Miss Hutton Potts, grass cloth tea cloth. Mr Patell, silver card case and silver bag.

Mr John Robertson, 6 silver liqueur cups. Mrs and the Misses Rowe, silver mustard pot and salt celler. Mr and Mrs Albert Raymond, silver powder box.

Mr Crowther Smith, 2 cut glass scent bottles. Mr Sin Tak Fan, jade bracelet. Mr Hennessey Seth, cherry wood desk and chair Mr A. Seth, emerald and diamond ring Mrs Seth, pearl necklace and earrings. Miss Seth, six silver finger bowls. Mr Harold Seth, opal and diamond bracelet. Mr S. A. Seth, cheque. Mr Enos Seth, 3 cherry wood tea tables. Mr A. Stevenson, cheese dish. Mr E. Shaw, 6 silver dessert knives. Mrs M. J. D. Stephens, silver travelling clock. Mr Robert Shewan, 6 silver liqueur glasses. Mr and Mrs Sawer, 2 silver trifle spoons. Mr M. S. Sassoon, jewel case. Mr and Mrs B. H. Silas, 2 silver sweet dishes. Supreme Court Staff, black-wood table, two chairs and embroidered silk table cloth. Mr and Miss Shaw, silver manicure set. Mr Percy Smith, 1 doz silver knives and forks, Mr and Mrs Shellim, silver cake dish. Mr and Mrs A. H. M. da Silva, silver inkstand and penholder. Mr and Mrs E. E. da Silva, fire screen. Mr She Fat T-oi, silver brush. Mr Subedar Mahomed Ali, 2 silk cushions.

Mr and Mrs Tutcher, tortoise shell clock. Dr. Thomson, 2 silver models. Mr Tong Lai Chuen, 2 silver serviette rings. Mr and Mrs Toledano, 12 silver tea spoons. Mr Tsang Kit-fan, silver powder box. Mr and Mrs Tse Yat, gold character brooch.

Messrs Walker and Turner, 4 silver vases. Mr G. A. Woodcock, silver flower stand. Miss Wallace, jade brooch. Mr Wei A Yuk, 2 silver frames. Mr Wei Wing Sam, silver mirror. Mr Warbrook, 2 silver vases. Mr A. E. Wright, 4 silver salt cellars. Mr and Mrs James Walker, fish carvers. Mr Wang Hing, 2 silver vases.

Mr and Mrs A M. Zorab (Sourabaya) draft.

Mr. J. H. de Reus, who has been acting Dutch Minister in Venezuela, has been appointed Consul-General in Hongkong. He succeeds Mr. Haver Droeze, who for many years filled the office at Hongkong Mr. Droeze had been appointed Dutch Minister at Peking shortly before his death, which occurred in Holland in December last. Mr. Backhuyzen has looked after the Dutch interests here since the departure of Mr. Droeze. Mr. de Reus, it will be remembered, was prominently concerned in the recent dispute between Holland and Venezuela, it being alleged that in a letter home he passed a criticism on President Castro which incensed that gentleman when it was published, and led to his ordering Mr. de Reus to leave Caracas.

VICTORIA BRITISH SCHOOL.

ANNUAL PRIZE GIVING.

The annual distribution of prizes in connection with this school took place on the 11th inst., Mr. E. D. C. Wolfe, inspector of schools, conducting the ceremony. There was a good attendance of parents and others interested.

The headmaster (Mr. W. H. Williams) read his annual report and the report of the Inspector of Schools.

Mr. Wolfe in his address described the report, it as satiafactory from every point of view except one, and that was under the head of revenue and expenditure. It would be noticed from the report that that the salaries and other charges to called $7,765.19 and the fees only produced $1,311, which worked out at one-seventh of the expenditure. This did not cover the additional storey to the school or other works but only included school maintenance. Last year each scholar in that school cost approximately $113, but now the cost had grown to $190, which from the ratepayers' point of view was a very serious matter. This large expenditure was obviously due to the small numbers attending the school, but he was glad to say that Kowloon School was showing an improved attendance. Proceeding to discuss the reasons for this small attendance, he alluded to the withdrawal of pupils at the age of sixteen to enter some employment, the withdrawal of pupils on their parents leaving the colony, the withdrawal of pupils because their parents did not see eye to eye with the headmaster, neither of which reasons were very important. The chief reason however was the indifference of the British community. Education was not compulsory in Hongkong, but he thought that parents should nevertheless fulfill their duties to their children It was complained that the School was so distant but he reminded parents that they might make greater use of the tramway. The fees were not high, but even if they were he thought that as people lived in greater luxury here than at home they ought to be prepared to deny themselves something in order that their children might be educated. After dealing with several suggested remedies, he expressed the conviction that the only remedy was for people to send their children to school in larger numbers and he appealed to parents, in whose interests the two British schools had been provided, to support the schools.

After an interesting display of attainments by the young people, in which they acquitted themselves remarkably well, Mr. Wolfe presented the prizes to the successful scholars.

THE INCOMPLETE SANITARY BOARD.

The term of three years for which Mr. Fung Wa Chun and Mr. Lau Chu Pak were appointed members of the Sanitary Board expired on the 5th inst., but the *Gazette* of the 6th inst. does not announce the appointment of their successors, nor does it contain any reference whatever to the matter. The Sanitary Board therefore is now incomplete, being short of two unofficial members. It has long been known that Mr. Fung Wa Chun and Mr. Lau Chu Pak would not be prepared to sit for another term. They sent to the Government formal notifications to that effect, some time ago, so that the absence of any notification in the current *Gazette* of the appointment is noted with some surprise, for an unusual amount of interest seems to have been taken in the matter in Chinese circles on this occasion.

THE ABSCONDING SHROFF.

On the 8th inst. Chief Detective Inspector Hanson boarded the steamer *Chin Hua* from Shanghai and took into custody Yeung Leung who had been arrested at Shanghai on a charge of having stolen $52,747.71, the property of the Hongkong and Shanghai Banking Corporation on the 3rd June, 1905. Prisoner was receiving shroff in the bank here and it is alleged that he absconded on the date mentioned with the day's takings, which amounted to the sum mentioned. Mr. Gedge appeared to prosecute when the defendant was brought before the Magistrate late in the day, but the case was remanded.

SUPREME COURT.

Thursday, February 11th.

IN BANKRUPTCY.

BEFORE HIS HONOUR SIR FRANCIS PIGGOTT (CHIEF JUSTICE).

A COMPOSITION APPROVED.

Re Ho Shu Chau.

Mr. Kong Sing, who appeared for the debtor, said this matter came before his Lordship sometime ago, when all but four of the creditors had approved of the scheme. Mr. Jackson then appeared for the European creditors. He had now filed four declarations, but he understood there was another Chinese creditor who was not at the meeting. Debtor informed him, however, that that declaration could be obtained.

His Lordship—There was some other reason why the application was not granted, I think.

Mr. Kong Sing—Because the European creditors were getting 60 per cent and the Chinese 25 per cent.

Mr. Jackson stated that the reason why the Europeans were getting the preference was because, when the debtor filed his petition, they agreed to continue to supply him with goods and allow him to carry on his business.

His Lordship—What is his business?

Mr. Jackson—A jeweller and clock maker. The Chinese creditors saw it was to their interest as well as to the interest of the others to allow the business to proceed.

His Lordship—In the circumstances I shall allow the approval.

APPLICATION FOR ADJUDICATION.

Re D. R. Captain, trading as D. R. Captain and Co.

In this case Mr. C. F. Dixon (of Messrs. Hastings) appeared in support of the application, and Mr. E. J. Grist (of Messrs. Wilkinson and Grist) appeared to oppose it.

Mr. Dixon informed the Court that at the first meeting of creditors held on the 6th instant it was unanimously resolved that the debtor should be adjudicated bankrupt, and Mr. Wakeman appointed trustee.

Mr. Grist said he appeared for several creditors in the case. No public examination had been held, and therefore this application was rather premature. He should certainly like to have the debtor publicly examined before any order was made for adjudication. The practice in this Court had always been to hold the public examination first.

His Lordship—But your creditors were at the meeting, and they agreed.

Mr. Grist—But no resolution was passed.

Mr. Dixon—There was a unanimous resolution. Mr. Grist was there, but he had not proved, and could not take any part in the meeting.

Mr. Grist—I am a creditor, and also represent one of the second largest, W. G. Humphreys.

Mr. Dixon—Mr. Grist has not proved, and has no *locus standi*.

Mr. Grist—That may be, but I am bringing to the notice of the Court that the granting of this application would be contrary to the provisions of the Ordinance. When a man is once adjudicated it may put things in a different position.

His Lordship—You rely on the practice of the Court; I don't know anything about it. The point has never been raised before.

Mr. Grist—I don't know one single instance where a man has been adjudicated without first being publicly examined.

His Lordship (to Mr. Wakeman)—What is your knowledge of the practice?

The Official Receiver—Sir William Goodman laid it down that there is to be no adjudication until after the public examination, but there is no provision in the ordinance.

His Lordship—I think the practice must be followed.

Mr. Grist—At the present time the creditors have not had a chance of examining this man.

His Lordship—Then why did they pass the resolution?

Mr. Grist—I cannot say; but there would be a great number of creditors who certainly did not vote for the resolution.

Mr. Dixon—That is not so, my Lord.

Mr. Grist—Creditors take no notice of meetings, but rely on the matter coming before the Court. The statement of affairs might be thoroughly upset when the debtor came up for examination.

His Lordship—I don't see any inherent reason why the creditors should say they want this man publicly examined. Is there any question of a statutory majority at these creditors meetings?

The Official Receiver—In a case of composition.

His Lordship—I think, on the whole, a public examination is necessary.

The Official Receiver—I submit it is very convenient to get adjudication in these cases, because here is the business being carried on by the man and it may be a month or two before the examination is closed.

Mr. Dixon—The reason for making the application is that offers may be made for the business as a going concern. Probably there would be more assets for the creditors if the business were sold as a going concern.

Mr. Grist—If the whole of the property were transferred into the hands of the Receiver he would then be able to sell it for whatever he thought proper, without any reference to the creditors. I see no particular reason for rushing things through.

His Lordship—Mr. Dixon says there is.

Mr. Grist—His object is to sell the business.

Mr. Dixon—As a going concern. The resolution was passed at a very representative meeting on the proposition of the largest creditor, who would take about 30 per cent of the assets.

His Lordship thought on the whole that Mr. Grist was right. The scheme of the Act was that soon after making a receiving order the first general meeting was to be held, and another meeting 28 days after the making of the order. But in between that the public examination should come. It was clear that the voting of creditors on a resolution should be held after the public examination.

Mr. Dixon—In the meantime I would ask your Lordship to allow the debtor to be paid a salary for carrying on the business?

His Lordship—That matter can be referred to in Chambers.

THE A CHEE CO. BANKRUPTCY.

Re Chan Ah Kam ex parte Chan Ling Fuk.

This public examination was conducted by Mr. G. H. Wakeman, Official Receiver.

Chan Ah Kam said she first became aware of the fact that the firm of A Chee was insolvent at the beginning of Feburary, 1907. They then had no money to pay for the goods supplied. The liabilities amounted to about $40,000, while the assets, including stock-in-trade and book debts, amounted to $2,000.

His Lordship—Is the $40,000 only incurred in debts connected with the business?—Yes.

Does it mean that your fokis did not understand the business?—Formerly the business was managed by a man named Chan Long Kim.

His Lorhship (to Mr. Wakeman)—What are the bad debts?

Mr. Wakeman—Between $3,000 and $4,000.

His Lordship—I don't understand how a business like this could get into such difficulties.

The Official Receiver—By selling things on credit to people who do not pay.

His Lordship—The bad debts are only $4,000.

The Official Receiver—Bad and doubtful.

His Lordship—It seems to me a bad way of carrying on business.

The Official Receiver—They must have been running at a loss for years.

His Lordship—It seems to me they did not know how to manage the business.

Mr. Grist (who represented the execution creditor)—Salaries and rent were a big item.

His Lordship—The profits should be made to cover that.

The Official Receiver—I think it is chiefly the bankrupt's friends who have suffered in this case. They ran the business at a loss until they could get no more credit, I think.

Mr. Leo d'Almada e Castro (who represented the debtor) said there had been very keen competition in this class of business of late. The debtor only came into the business in 1905.

His Lordship—I am sympathising with her.

The Official Receiver, continuing the examination—Haven't you borrowed very large sums from your relations?—Yes.

What was that money for?—Some for family use, some for the business.

Who was in charge of the business?—My son.

Are you satisfied with the way it was carried on?—Yes.

His Lordship—I suppose she knew nothing about it.

The examination then closed.

THE PROPOSED NEW TRAMWAY TO THE PEAK.

The report of proceedings of the Public Works Committee at a meeting held on the 30th December, 1908, was laid before the Legislative Council on the Thursday last. There were present at the meeting the Hon. the Director of Public Works (Mr. W. Chatham, C.M.G.), Chairman; the Hon. Colonial Treasurer, (Mr. A. M. Thomson), Hon. Mr. E. A. Hewett and Hon. Mr. H. A. W. Slade.

The CHAIRMAN stated that the proposals plan and sections of which were laid before the Committee, had been submitted to Government for the construction of that portion of the tramway extending from Upper Albert Road to Robinson Road, namely:—

(i.) By an open cutting running through the western section of the Public Gardens and intersecting the areas occupied by palm trees.

(ii.) By a tunnel about 300 yards long, underneath the Public Gardens, commencing below Upper Albert Road and emerging near the entrance to Glenealy culvert, whence the line would be in the open and would approximately follow the course of the existing nullah.

(iii.) Partly by cutting in an unimportant portion of the Public Gardens and partly by bridging in Glenealy supported on lofty trestles.

He further stated that (i) was the original proposal prepared by Messrs. Denison, Ram & Gibbs when the Government was first approached on the subject, and that His Excellenoy Sir M. Nathan had refused to consent to it on the ground that it would cause serious damage to the Public Gardens. Scheme (ii) was then submitted but, before any definite conclusion was arrived at, the matter passed into the hands of Messrs. Leigh & Orange, who, after a survey of the ground, prepared scheme (iii).

After full discussion, during which the opinion was freely expressed that there was great need of additional facilities for reaching the High Levels and Hill District, the following recommendations were unanimously agreed to:—

(a.) That proposal (iii) (bridging and trestles in Glenealy) be not approved.

(b.) That proposal (i) (open cutting through the Public Gardens) is the best and should be adopted, the damage done to the Gardens not being, in the opinion of the ommittee, so serious as to justify its rejection. The width of the cutting to be reduced as far as possible by the construction of retaining walls, if necessary.

(c.) That, failing the approval of proposal (i) by the Government, proposal (ii) should be adopted.

The Committee were of opinion that the zig-zag pathway between Government House and St. Paul's College should not be closed and that the Tramway Co. should be required to carry out whatever alterations were necessary to preserve this path for the use of the public.

With regard to the limits of deviation shown on Messrs. Leigh and Orange's plan, the Committee were of opinion that these could be much curtailed and should be restricted to the narrowest possible limits.

The prize of Y500 recently offered by Mr. Nakamura, a merchant of Doza, Nagasaki, for the best essay on "How to Improve Nagasaki," has since been the subject of a discussion in the local Chamber of Commerce, to whom the money was entrusted for disposal. At a committee meeting on the 23rd instant, says the *Press*, it was decided that the prize should be withdrawn, on the ground that such a competition would only tend to advertise the port's depressed condition to a greater extent, which was undesirable. Nagasaki was now beyond the talking stage, and required all the available energy of its citizens in practical work for its promotion to prosperity.

THE RESTRICTION OF OPIUM IN HONGKONG AND IN CHINA.

MEMORANDUM BY H. E. SIR FREDERICK LUGARD.

H. E. the Governor laid before the Legislative Council on Thursday the following memorandum.

THE CHARGE AGAINST HONGKONG.

On May 6th 1908, Mr. W. Johnson moved a resolution in the House of Commons (seconded by Mr. T. Taylor) approving the action of His Majesty's Government in progressively decreasing the quantity of opium exported from India to China, and urging the abolition of licensed Opium Dens in the Far Eastern Crown Colonies. Both mover and seconder informed the House that in Hongkong "nothing had been attempted—nothing done." These statements passed unchallenged, and have conveyed to the rest of the Empire an erroneous impression of the facts regarding this Colony, which has caused no little soreness in a very loyal portion of His Majesty's oversea dominions. The Under Secretary in his reply said that His Majesty's Government recognised that in dealing with the opium question in Hongkong it was essential that we should act up to the standards set by China and in a later debate on July 28th he added that it had not been possible to get a reasoned opinion from Hongkong.

I will endeavour in the following observations to remove the misunderstanding created by the remarks of Messrs. Johnson and Taylor, and at the same time to present a reasoned opinion as to the measures which may usefully and with justice be taken in order to give effect to the high object which His Majesty's Government have in view, *viz.*, to restrict the opium habit in this Colony and to assist the Chinese Government in effecting a like restriction in China.

I write as one who has comparatively recently come to the Far East with no preconceived ideas and prejudices on the subject, but who has studied it closely for over a year. I claim moreover to have given practical proof in the past of a keen interest in matters affecting the welfare of Native Races,—*e.g.*, the suppression of the Liquor Traffic, Slavery, etc., in Africa.

ATTITUDE OF THE EASTERN COLONIES.

The Eastern Colonies, as a part of the British Empire, are animated by the same ideals as the United Kingdom and have a not less high standard of morality. If then the Rulers of the Empire at its centre, and the Home Parliament, with a full and accurate knowledge of whole circumstances, arrive at the conclusion, that restriction in the matter of opium should be inaugurated in India and in the Eastern Crown Colonies, we may assume with confidence that the decision would meet with a loyal response, in spite of the fact (which Colonel Seely frankly pointed out) that it is their revenue and their trade,—and not that of the United Kingdom,—which are affected.

The Colonies concerned are, however, naturally anxious that the Imperial decision shall be based upon an accurate presentment of the facts, and it is clear from a perusal of the speeches in the Legislative Councils and Press, that the communities concerned labour under an impression that public opinion in England has to some extent been misinformed as to the facts, and that in consequence the methods proposed are not in all cases such as are best adapted to the end in view, or consonant with a British sense of Justice. Willing co-operation can only be based upon a mutual conviction that the course of action adopted is one that has every prospect of being effective, and that the sacrifices made will not be futile.

EFFECT ON HONGKONG OF PLEDGES GIVEN.

I will deal first with the statement that in Hongkong nothing has been done. England has already taken one very definite step. She has promised to reduce the export of opium from India to China by one-tenth each year for the next three years, and to continue that reduction annually if at the end of three years it is shown the China has proportionately reduced the production and the consumption of the drug.

This pledge seriously affects the interests of Hongkong which has long been the mart for the trade in raw opium in the Far East. The annual value of this trade is given as £5,312,645 in 1906 and £4,656,218 in 1907. The profits made are similar to those secured in any other form of trade, and add to the general commerce business of the Port, by increasing freights, insurance (fire and marine), banking, warehousing, and handling. The extinction of the trade therefore would not merely be a loss to the merchants engaged in it but also to the general business and prosperity of the Colony. No protest, however, has yet been heard from those chiefly interested, who have accepted loyally the policy of the Home and Indian Governments, but they claim—looking to the magnitude of the trade, and to the fact that it has existed for over 100 years—that ten years is the mininum time in which new interests can be created to replace those sacrificed, and any diminution of this period would impose too heavy a burden upon them. In this connection I venture to suggest that China should be required to reciprocate by abandoning her exports to Siam and Indo-China—both of which countries, like herself, have declared their desire to restrict the consumption of opium.

INDEPENDENT ACTION BY HONGKONG.

A second step has been taken in which Hongkong alone was concerned. In 1907 His Majesty's Government proposed to prohibit the exportation of prepared opium from Hongkong. Opium, under the Monopoly system in this Colony, can only be "prepared" for sale by the Farmer. It was perfectly legitimate for him to export to China under proper permit and declaration, though such export formed no part of his Monopoly rights. To prohibit it would be, however, a curtailment of the privileges under which his contract was signed, and might have involved a moral claim for compensation, but as China undertook to reciprocate and to check the smuggling of prepared opium into Hongkong the Farmer willingly agreed and the trade was abolished. The Chinese Government expressed itself as very grateful for this action by the Hongkong Government.

Further assistance has been rendered to China by Hongkong through the consistent efforts of the Colony to prevent the smuggling of opium to the Mainland, though such smuggling was of course in no way injurious to the Colony itself, and if unchecked would add to the value of the Farm. No doubt the decrease in the rental value of the Farm in recent years is in part due to the cessation of smuggling.

It is generally believed that some ten years ago there was a very considerable smuggling trade to China, for judging by the figures of recent years it would seem probable that the Farmer at that time drew more opium from Bond than he required for his legitimate business. It is surmised that he sold the balance to smugglers, but the risks both to them and to himself were great for the conditions of the Farm were designed to prevent smuggling and as experience was gained new precautions were from time to time taken. No one can lawfully possess prepared opium in sufficient quantities to smuggle unless procured from the Farmer for no one else may prepare opium. No one may have "loose opium", (*viz.*, anything less than an unbroken chest), except the Farmer, and every chest imported must be declared and a permit to store obtained. Quantities in the authorised stores are checked from time to time. A new permit must be got for removal from store for export, and for removal from one place to another, or for transhipment within the Colony. The Harbour Master furnishes the Master of every Ship carrying opium for export with a memorandum of particulars concerning such opium, and a copy of the memo. is sent to the Imperial Maritime Customs. (Ordinance 9 of 1887.)

The Farmer used formerly to have two establishments at the East and West of the Town and it was open to boats in Harbour, if found with loose opium on board, to declare that they were carrying it from one to the other, and had no intention of smuggling. In order to eliminate the possibility of illicit trade due to this cause, the Farmer since 1900 has only been allowed to maintain one establishment.

If prepared opium bearing the Hougkong Farmer's "chop" is now found in China the "chop" is probably a forgery in order to obtain sale as foreign opium for what is really native opium. It is hardly likely that the Farmer would put his "chop" on smuggled opium. If it is a fact that opium is still smuggled into China, it must be remembered that there are other non-British ports which are quite as favourably situated for the operations of smugglers as Hongkong is.

The price of prepared opium in Hongkong being double that in China there is obviously little inducement to smuggle the prepared drug, while the small number of chests drawn by the Farmer (about half the number authorised) shews that it is improbable that raw opium is illicitly exported. There is moreover independent evidence to shew that any systematic smuggling is now practically extinct, though no doubt small quantities may be occasionally exported illicitly by casual individuals.

(a.) The Police have made no seizures to speak of for eight years.

(b.) It has not come to my knowledge that the Chinese Customs, in spite of the large rewards they offer to informers, have made any important seizure.

(c.) The armed bands who in former days were met with from time to time and often offered resistance, appear to have been quite broken up.

(d.) The willingness of the Farmer to co-operate in preventing the smuggling of prepared opium to China, if the latter would reciprocate, goes to show that he does not smuggle.

(e.) Finally there is conclusive evidence furnished by Mr. Clementi's recent examination of the Farmer's books to exonerate him from any such charge.

The efforts of the Hongkong Government in recent years (and before the present agitation began) have therefore been consistently directed towards the abolition of illicit trade in either raw or prepared opium to China and there is evidence to shew that its efforts have been attended with a large measure of success. This is a benefit of the very first importance to China and has only been secured by constant efforts and some pecuniary loss to the Colony. Recently China has pledged herself to reciprocate by checking the illicit importation of prepared opium from China into Hongkong, but her inability to translate her undoubtedly genuine desire into effective action is shewn by the fact that for the six months following that in which the agreement was made (*viz.*, August 1907 to January 1908) the average number of seizures of prepared opium illicitly imported into Hongkong has exceeded one per diem. The smuggling takes place from various ports, Canton, Amoy, Swatow, Hoihow, etc. I have reason to know that the Viceroy at Canton is sincerely anxious to put a stop to this practice, and the Imperial Maritime Customs have done their utmost, but the effort to suppress smuggling is to attempt the impossible, so long as the price of opium in China is only half the price in Hongkong.

EXPORT FROM CHINA.

I have already observed that since China has appealed to the Indian Government to make heavy pecuniary sacrifices in order to restrict the import of opium, it is reasonable to expect that she herself should abandon the authorised export of Chinese grown opium. The official returns show that this export had continually increased up to 1907 when it fell to 84,737 lbs. The average for 5 years (including 1907) is 348,811 lbs. The re-export of foreign opium is slightly decreasing. In 1907 it stood at 48,400 lbs., the average for 5 years being 70,947 lbs. The total average export for the last 5 years through the Customs (*i.e.*, apart from smuggling) is therefore 419,758 lbs. the bulk of which goes to French Indo-China. There is also a considerable illicit export of raw opium from China, to the Straits, Saigon, Bangkok, America, and other places, which as I have said can only be checked by exhancing the price of opium in China, till it equals the price in the countries to which smuggling takes place.

I have I trust shewn that, so far from having done nothing to assist China, Hongkong is perhaps the only place (until the recent action of India) which has consistently and effectively afforded assistance.

THE PROBLEM IN CHINA.

The sincerity and honesty of purpose of the Central Government and of many of the Viceroys of the eighteen great provinces of China is admitted, but the difficulties,—Financial, Industrial, and Executive—which confront the Provincial Administrations are

very great. In dealing therefore with a matter which affects great industrial interests in British India, and the Native States, and the revenues and trade of the Eastern Colonies, it is imperative in justice to those whose industry and trade are affected to proceed gradually and tentatively, and not too far in advance of the steps taken by Chiua, so that the interests of our own nationals may not be sacrificed without corresponding visible and tangible results in China. and we may assure ourselves alike of the permanency of the movement, and of the Central Government to carry it through in an Empire with so little cohesion as China.

THE TWO ESSENTIAL PROBLEMS.

The two really essential problems, which in my view China has to solve if she intends to carry out her declared intention are :—

(a.) The restriction and ultimate abolition of the cultivation of the Poppy in China.

(b.) The provisian of a revenue to replace that now raised on opium.

When these two problems are in a fair way of solution it may justly be said that China has set a standard which is worthy of emulation, and has proved herself to be in earnest.

RESTRICTION OF PRODUCTION.

As regards restriction of cultivation. The fact must not be lost sight of that of the total quantity of opium consumed in China—estimated at 22,588 tons in 1908—$\frac{7}{8}$ths is grown in China itself, chiefly in the Province of Szechan (66 per cent. of the total) which is one of the most densely populated of the provinces of China (45 millions) into which no foreign opium is imported, and in which as Mr. Clementi has shewn, the precentage of smokers is more than double that in the rest of the Empire. Out of her enormous production China in fact (as I have shewn) exports opium to Indo-China and I believe to Siam, where the consumption shews no decrease though the King in a manifesto on his birthday declared his desire to restrict it. This is irrespective of the amount illicitly exported which is probably considerable. In Szechuan and Yunnan the cultivation of opium is a great agricultural industry, and its arbitrary abolition would inflict a great injury on the population. In this connection it is of interest to note that Mr. Clementi shews in his translation of the Article on the Poppy from the Chinese Encyclopœdia that the plant was known and cultivated in China for medicinal purposes as early as the beginning of the 9th Century, and the use of opium was probably introduced by the Arabs as early as the middle of the 15th Century.

HOW GAUGE RESTRICTION IN CHINA.

Relative to the restriction of cultivation the point naturally arises: How is India at the end of the trial period of three years to ascertain whether China has fulfilled her part of the contract and has made a corresponding reduction in the internal production? Since there is no proper survey, and no accurate record of the area under poppy cultivation, and China refuses the assistance of foreign surveyors. it is clear that existing statistics are very nebulous and no exact demonstration of decrease can be expected. The only rough and ready method therefore of gauging whether China has proportionately decreased cultivation during the three trial years, is to judge by the current price of Native Opium in China. If it rises considerably as it must do with a decrease of cultivation, it will be fair to assume that the alleged reduction has really taken place,—allowance being made at the same time for a fall in prices due to decrease of smokers, and decrease of illicit export (which with a rise in prices of Native Opium becomes less profitable). I lay stress on the necessity of this rise in the price of opium in China for until its price is on a parity with that obtaining in the Straits and Hongkong, those Colonies are justified in claiming that the restrictive methods of China are less effective than their own, and in resenting the consequential smuggling from China to British territory.

SUBSTITUTES FOR THE POPPY.

It would seem that the best way of reducing the area of cultivation is a Poppy Tax on all lands devoted to the growth of the poppy, which could be gradually increased until the cultivation became unprofitable. Such a tax already exists is Shansi where poppy land is rated at about three times as high as any other crop. It also exists in Manchuria. The imposition of such a tax would enable the Government to cheapen transport for crops of less value, and to grant some compensation to poppy growers who take up other crops in lieu of the poppy.

Sir A. Hosie estimates that a crop of wheat per acre is worth £4.5.6 as against £5:16.8 for poppy (viz., 26.71 per cent. loss) but there are crops possibly of more value than wheat suitable for poppy land such as tobacco, cocoa, or rubber. Mr. Fox, lately Consul in the poppy-growing province of Szechuan, says that the tobacco is of high quality, and suggests as substitutes ramie, tea, silk and vegetable oils. It is worthy of note that as food stuffs replace the poppy, the price of food decreases, and with it the perennial scourge of famine from floods etc. and the necessity of the embargo on the export of rice. It would be of benefit to China if an expert agriculturist were to advise as to the most paying substitutes for the poppy.

SUPPLY OF MEDICINAL OPIUM.

The whole subject of opium production is a difficult one. The world requires a large quantity for medicinal purposes, and in order that the countries which produce, or are capable of producing, the drug may guard against its export and use for illicit purposes, it would appear to be necessary that the output should be made a Government monopoly and the Government of the country of consignment notified of all shipments so that it may adopt measures for controlling the sale,—otherwise, as Mr. Leech points out, new countries will grow opium when the Indian export is restricted. For China is not the only country which has cause to fear the effects of the misuse of opium, and its derivative morphine. The United States of America, it is said, imports seven or eight times as much as is required for medicinal purposes, and has lately passed a law restricting this import,—as also has Canada. It will be open to the non-producing countries to follow this lead, and by arrangement with the countries of origin to control the import for medicinal purposes in whatever way may appear best calculated to guard against misuse, *viz.*, either by a Government monopoly, or by the institution of a system of permits to authorised wholesale dealers, who may sell only to licensed druggists.

So far as China is concerned, the bargain with India and the similar restriction of import of Persian and Turkish opium relieves her of all difficulty as regards the $\frac{1}{8}$ part of her consumption which is imported. The remedy for the other $\frac{7}{8}$ which is home-grown is in her own hands. The bulk of the world's supply of medicinal opium comes from Turkey, for Turkish opium contains from 9 per cent. to 12 per cent. of Morphia as against 4 per cent. or 5 per cent. in Indian opium. The average export for the last 6 years is 718,327 lbs. and there is at present no Government control. The total export from India is put at 67,000 chests, of which 51,000 goes to China, and will presumably disappear in the course of 10 years. There remains 16.030 chests as India's contribution to the medicinal supply of the world.

HOW REPLACE OPIUM REVENUE.

As regards the second of the "essential problems"—the raising of a revenue to replace that derived from opium,—it would be wholly beyond my province to make suggestions in a matter with which the Chinese Government is alone competent to deal. Already in some provinces a Salt Tax has been imposed,—in others fees for permits to buy opium. The land-tax was declared by the Edict of 1713 to be immutable for all time, though our experience in the leased territories of this Colony has shewn that it can be increased without hardship. But China has many other resources, such as development of minerals, a tax on spirits and the purification of her system of collection of taxes.

RESTRICTION IN THE COLONY OF HONGKONG.

So far I have dealt with the aims of the Chinese Government, and the direct assistance afforded to it by India and Hongkong in its efforts to restrict the importation (legally or illegally) into China of raw or prepared opium. I will now pass in review the methods adopted by the Hongkong Government to restrict and control the consumption of opium within the Colony. I will add some proposals by which restriction may be made still more effective in the future.

THE "FARM".

The most effective of these, both for restriction and control, has, as experience proves, been the institution of a monopoly leased for a specified period of three years to a "Farmer", for the sole right to prepare opium for sale, and to sell it, in the Colony. His right to import prepared opium without declaration and to export it were also recognised. The farm is a lucrative business and its acquisition therefore is the object of keen competition, and the Government derives from the sale of the Monopoly a sum equal to nearly a fourth of its entire revenue. Seeing that the farm is a restrictive agency this revenue is entirely legitimate and in any case is no more subject to criticism than the licence fees derived from public houses here or in England. The Government derives no other revenue from opium, except the negligible licences to divan keepers. I have already in a previous paragraph quoted the conditions imposed by the terms of his licence upon the Farmer, and the privileges reserved to him by Ordinance. In order to protect his Monopoly the Farmer has to employ a large staff of detectives and to offer rewards to informers.

ENHANCES PRICES.

In order to pay for these and also the high fee to Government he is compelled to enhance the retail price of opium, and this enhancement has been progressive in each triennial period for which the farm has been let. In 1900 the price of prepared opium in Hongkong to the smoker, was $1.50 per tael: In 1904 the next Licencee put up the price to $3 which was again inceased in 1905 to $3.30. Thus the amount of opium purchasable for 10 cents has been as follows between the years 1896-1904 :—
1·5, 1·2, ·1, ·8, ·57, ·4, ·3, mace ($1\frac{1}{3}$ oz.)
175, 195, 228, 233, 243, 293, 331, thousand population.

The price in Hongkong is therefore much higher than in the neighbouring city of Canton.

In Hongkong it varies from $3.30 to $3.50 per tael while in Canton it is from 80 cents to $1.53.

CHECKS SMUGGLING.

This fact naturally encourages smuggling into the Colony, and since Hongkong, being a Free Port, has no Customs Preventive Service it would be impossible to check the smuggling of raw or of prepared opium as effectively as the Farmer can do it when his own pecuniary interests are involved, for it must be remembered that the Colony of Hongkong consists of an island and a peninsula, around whose shores are fleets of trading and fishing junks, while opium being light and of small bulk is easily concealed.

The Farmer can employ spies and informers, both to check smuggling and to detect illicit boiling of opium, but such methods should, when possible, be avoided by a Government on any extended scale. The Government, however, renders him all possible assistance and issues search warrants on information supplied by the Farmer. The Farmer's Excise Officers also search all persons landing in Hongkong, except a few exempted for public service. This search is most unpopular amongst the Chinese and exemption incidentally stimulates men to come forward for public service. The Farm is disliked in consequence of the search, which, however, it would be equally necessary to maintain if the Farm were abolished, (in which case the odium would be incurred by the Government), unless restriction of opium ceased. Beyond doubt the creation of a Monopoly in Chinese hands is the most effective method conceivable for controlling the smuggling, sale, and use, of opium in the Colony.

INCREASES REVENUE.

A monopoly by Government was tried and resulted in a decrease in the receipts in the second year to less than half those of the first year, due to the impossibility of coping with the smuggling and illicit "preparation" of opium. The revenue lost by Government was therefore so much additional profit to the smuggler, instead of going to the Farmer who provides the Preventive Service and to the Government which uses its profits for the maintenance of Police, Sanitation, Education, etc. A Government monopoly is moreover more likely to tend to venality and corruption of subordinate officials. In view of what I have said it cannot be justly argued that the Government delegates its functions to an individual and loses prestige,

since it co-operates in the duties of search and arrest, while avoiding the odium of employing informers and of making a direct profit by the sale of opium.

AMOUNT DRAWN AND EXPORTED.

Under the terms of his licence the Farmer is entitled to withdraw from bond, (in order to "prepare" it), 1,800 chests per annum. This may be increased by imports of prepared and dross opium (not of raw) and he may export as well as supply the local demand. It appears to be a fact that in former years the Farmer did import prepared opium from Singapore, and that much was smuggled to China, but he states that none has been imported for 15 years. However that may be Mr. Clementi's examination of his books proved beyond question that none is imported now except opium dross, "halan", and "tautsingko" which are imported from Canton and Macao to be used in the "preparation" of crude opium for smoking.

Although Macao was always a rival in the export trade and secured the greater share of it, the Hongkong Farmer does a certain amount of business in this line. The markets of Australia and Philippines are now closed, and more recently (by the prohibiting Ordinance of 1908) that of China also, but it is probable that he still exports about 12 per cent of his opium. The actual number of chests withdrawn by him from bond, since 1895 is as follows:—

1895—1607½	1902—929½
1896 1515½	1903—990
1897—1589	1904—725
1898—1704	1905—858
1899—1749	1906—497
1900—1098	1907—725
1901—1036½	1908—934

The low figures in 1904 and 1906 were due to financial embarrassments of the Farmer in those years, caused by the fact that he had tendered for a larger payment to Government than the monopoly could afford. The payment which stood at $2,041,940 in 1905 and 1906 fell in the next contract (March 1907) to $1,452,000. In fact in 1906 the Farmer had to suspend the operations of the farm altogether for some months and adulterated opium was sold. The average for the period excluding these two years is 1,253 chests per annum.

INCREASED PRICE AND DECREASED CONSUMPTION.

Since the year 1901, the farm has been in the hands of Singapore merchants, who have put up the local retail price from $2 per tael (in 1901) to its present rate [$3.37] and by this means,—aided by the reduction in the Government rent,—have succeeded in making it pay, in spite of the cessation of smuggling to China and the loss of the Australian and other markets.

This great increase in local selling price would naturally result in a considerable decrease in smoking, for the poorer classes could not afford to buy so much, but since there are no records of the quantities of prepared opium imported and exported (whether legitimately or otherwise) by the Farmer, it is not possible to gauge the decrease precisely, by the quantities of raw opium drawn from bond by the Farmer. It will, however, be noted that this decrease in smoking, together with the abolition of the smuggling traffic, have combined to reduce the revenue received by Government as rental for the Farm by $588,000, since the last contract was made. It will be noted also that the amount of opium prepared by the Farmer has greatly decreased since 1898 in spite of the acquisition of the New Territories in that year which added about ⅓ to the population.

The restriction of the export from India will probably enhance the value of raw opium, and this with the restrictions already alluded to, and others to which I am about to refer, will probably still further reduce the tender, in 1910. This in itself constitutes a heavy contribution on the part of the Colony to the policy inaugurated by His Majesty's Government, at a time when, owing to a prolonged depression in trade and to other causes, it is in considerable financial difficulties. Any serious decrease in revenue makes it, of course, more difficult to maintain effective Police supervision, without which the Farmer would be unable to protect his monopoly and prevent smuggling of opium into the Colony, or from the Colony into China.

There is no evidence to shew that the Farmer in any way endeavours to promote the consumption of opium. No methods of inducement or advertisement are used. Opium divans are not in any way made attractive by meretricious devices as are public houses in England, and sales are in no way pushed.

I have endeavoured to shew that the system of farming the monopoly of the right to prepare and sell opium results in enhancing the price of the drug and thereby restricts the consumption (the average price of the various grades of the raw drug is only about ⅛ of the average retail selling price in Hongkong); that it is a potent and indeed the only means of checking smuggling either into the Colony or from it (to China: and that it produces a revenue that is perfectly legitimate and is expended in providing a Police Service, etc.

FURTHER PROPOSALS FOR RESTRICTION.

In order to give effect to the policy of His Majesty's Government it is feasible to enhance the restrictions imposed upon the Farmer. Prior to the year 1891 he was allowed to draw 3,650 chests of opium per annum in order to "prepare" and sell it. Since that year the number has been fixed at 1,800, and though it is true that he has not as a matter of fact drawn anything like this amount it is impossible except with his consent, to reduce this number, until the present contract expires in March, 1910:

(a.) The number could then be reduced by half, *viz.*, 900 and if China perseveres in her effort it may in future years be progressively diminished,—though, for reasons which I will presently give I think it of more than doubtful utility to abolish the supply altogether. Since the population is rapidly increasing this consitutes a very substantial decrease. With the decrease of the export from India and the presumable cessation of the export from China, the supply will moreover be greatly curtailed and the cost proportionately increased. The Farmer is willing to agree to an immediate decrease (from March 1909) to 1,000 chests with 200 extra, if required, for *bonâ fide* export to places other than China.

(b.) If the Farmer for the purposes of his operations should import any prepared opium he must declare it (as also opium dross, dross opium, and "halan"), and an equivalent deduction will be made from the quantity of raw opium he is allowed to draw.

(c.) He may similarly be called upon to report his monthly sales of prepared and dross opium, whether in the Colony or exported and in the latter case their destination.

(d.) He would be prohibited from selling any opium to women or children, whether for their own use or not.

These restrictions would of course decrease the value of the farm, and thereby involve a loss of revenue to the Colony, which would however be expended in a practical effort to give effect to the policy of the Home Government.

There are other important steps which have been taken by this Colony to control and restrict the use of opium, both as regards the question of divans, and (most important of all) as regards the importation, sale, and use, of morphine, and compounds of opium (for eating), as well as cocaine, including moreover recent action with a view to controlling the transit trade in the former to prevent smuggling to China. These matters are, however, best dealt with under the subsquent paragraphs relating to Divans, and Morphia, &c.

DIVANS.

So much prominence has been given of late to the subject of opium divans, (or "Dens" as they are called in England), that I think it may be useful to add a few observations on them.

NATURE OF DIVANS.

Divans,—which must not be confused with opium shops whose rôle is the preparation and sale (or sale only) of opium—are places where opium is sold for smoking on the premises, or where a fee is paid for the privilege of smoking. There is of course no means of preventing persons from preparing and smoking both opium and dross in their own houses if they wish to do so.

In Hongkong there are 190 divans. They are under the control of the Police and Sanitary Department and the Protector of Chinese. A divan consists of a single room which if quite full might accommodate 30 persons at a time. Mr. Clementi estimates the total who smoke in divans as some 14,465 persons which only gives an average for each divan of 76. Therefore if each person remained 3 hours the average occupants would only be 13 or 14 instead of 30, since divans are only open from 6 a.m. to midnight. A personal inspection showed them to be quiet and orderly. The smokers appeared generally to be friends engaged in animated conversation, smoking tobacco, eating fruit and drinking tea with an occasional whiff from the opium pipe. There were none in a state of stupefaction though the visit was between 10 and 11 p.m.

The Colonial Secretary, Mr. May, with 9 years' experience as Head of Police, who had constantly visited the divans at all hours of the day and night, stated that he had never seen a man here the worse for the drug. He himself; though very susceptible even to tobacco, had smoked many pipes in succession with no result. Dr. Ayres who studied the question for 20 years smoked 3 mace (174 grains) consecutively, *viz.*, as much as a confirmed smoker would smoke in a day—without feeling any result at all.

A divan licence in Hongkong costs $10 (£) per annum and is renewable annually, and the place is comparable to our public houses in England, in so far as it affords a resort where the tired coolie may rest and enjoy his tobacco and fruit with a little opium, or where friends of the better classes may meet and discuss affairs, but it contrasts strongly with a Public House in that it is quiet and orderly. Women and children are absolutely excluded.

ALTERNATIVES FOR DIVANS.

Men who have homes of their own will, in the absence of divans, smoke in their women's quarters as they are now reported to be doing in Canton. Thus the evil hitherto excluded from domestic life will be introduced into the home, where women and children will probably become participators. The idea therefore that smoking at home is less harmful than smoking in a public divan is based on a misconception of the nature of a divan as it exists at any rate in Hongkong. It is true that the criminal classes frequent the divans, because they are often smokers, but they go there for no vicious purpose other than smoking,—the place is too open and public for discussing secret plans, and there is no immorality.

The alternative resort of those with money is the noisy theatre or the restaurant where much money is wasted, and which is more or less associated with the brothel. For the coolie the alternative is the street, or if he desires to smoke and has no home in which to indulge he must pay some rich man's servants for the privilege of them. It is indeed anticipated that abolition of divans would lead to introduction of bad characters into the quarters of the Chinese servants of Europeans, and may even extend instead of curtailing the habit. Divans are a concomitant, and result of the habit of opium smoking rather than an inciting cause, and they serve a useful purpose in concentrating smokers, and thus bringing them under control and supervision. They also tend to diminish smoking of opium in private houses, and to confine it to adult males, and are a check on dross eating since neither the keeper nor the smoker may retain the dross. Their complete abolition would not improbably produce many evils not contemplated by those who have no actual knowledge of the circumstances.

EXTENT TO WHICH USED.

It is to be noted that in Hongkong, where the adult male population (who alone smoke) is nearly equal to the total of women and children combined, the number who smoke in divans is only in the proportion of about 7 to 5 who smoke outside. This proportion would be greatly less in rural districts. The closing of divans in Shanghai and the neighbouring city is said to have led to no apparent diminution in the sale and consumption of the drug.

CLOSING OF DIVANS IN CHINA.

China has not hesitated to adopt the closing of divans, but her ideas of justice and vested rights are not those which obtain among ourselves and to which expression was given in the recent debate on the Licensing Bill, nor has she to deal (as Hongkong has) with the question of the rights of a Monopolist. The result, however, is reported to be very unsatisfactory, though owing to her defective Police Force any such order can only be partially operative. The hardship and injustice is proportionately greater

in a British Colony, and the step more drastic, since it is fully enforced.

FURTHER RESTRICTIONS ON DIVANS.

The divan will gradually disappear with the cessation of smoking, and till then it is a useful agent for control. Persons who exceed should be treated as habitual drunkards or dipsomaniacs are, and placed under control and restraint. Divan licensees on whose premises such persons are found should be liable to fine and cancellation of licenses. They should only be allowed to be open during fixed hours say 7 a.m. to 11 p.m. and no customers should be allowed to sleep on the premises. Restrictions of this kind are being placed on divans so long as any remain in Hongkong.

COMPARATIVE EFFECTS OF OPIUM AND OF SUBSTITUTES.

Every race in the World in every age has exhibited a desire for something to act pleasurably on the nervous system either as a stimulant or a sedative and Sir William Roberts who analysed the medical evidence given before the Indian Commission (of which he was the expert medical member) refers in his extremely interesting report to the "Euphoric" and non-medicinal effects of stimulants and sedatives, which are so essential to the nervous organization of man, as to constitute "a profound instinct of human nature."

(A) OPIUM.

Lord Brassey's Commission (which recorded its proceedings in seven volumes totalling 2,550 pages of small print) is an encyclopædia of information on every aspect of the opium question, which should be studied by everyone interested in the matter. Innumerable witnesses of every class were examined and reports (in reply to a series of questions) were received from Hongkong, Singapore, and other places. The most eminent of Indian Administrators wrote reports and collected statistics for it. The commissioners record this weighty opinion: "We have made exhaustive enquiry into the consumption of opium in India and its effects. We find no evidence of extensive moral or physical degradation from its use. It is extensively used for non-medical and quasi-medical purposes in some cases with benefit, and for the most part without serious consequence." This verdict refers to the eating of opium, which expert evidence goes to shew is much more potent in its effects than smoking. Sir William Roberts in his summary states that it has been proved that smokers might continue the habit for 10, 20, or 30 years without detriment to their health. It has been the universal household remedy for centuries, and is entensively given to children, and is a useful digestive to a rice-eating people. It is stated to be a prophylactic against malaria, and though modern research would probably negative this theory, there is no doubt that it affords a means of relief where remedies are not available and is therefore of special value in a country like China where irrigation is so extensive, and low lying valleys planted with rice field abound. Dr. Crombie, Superintendent of the Govenment Hospital at Calcutta, went so far as to state it as his opinion to the Commission that to deprive the people of a malarial district of opium would be "a terrible and wanted cruelty."

Such authoritative opinions as these, based on one of the most exhaustive enquiries ever held into any such subject must arrest the attention, and demand the earnest consideration of those who approach this subject from no *ex-parte* point of view. The question at issue is whether looking to the fact that all races at all times have adopted some form of stimulant or sedative, we may not by misdirected zeal substitute a worse for a comparatively harmless habit. Few I think will be found who will oppose efforts for restriction and control, and for ensuring moderation, but for my own part I view with much misgiving the attempt at total abolition of opium smoking, and of the methods by which the habit is at present kept under due control.

(B.) ALCOHOL.

Professor Giles has demonstrated that in ancient time the Chinese were addicted to alcohol till it was replaced by opium drunkenness is not considered disgraceful, and the Chinese are proud of their powers of drinking and are never voluntary abstainers. Mr. Fox Consul General of Canton informs me that a large majority of the officials and gentry are already fond of wines and spirits, and would drink heavily if they did not smoke. The introduction of railways into China will facilitate the supply of alcohol, hitherto restricted by lack of transport, which opium being light and portable does not need. It is also alleged, but I know not whether on good authority, that local manufacture is increasing. There seems then to be a distinct probability that alcohol may replace opium. In Hongkong the danger of alcohol as a substitute for opium is a real one since cheap liquor-shops abound. Opium is a sedative which tends to inaction, and there is a concensus of opinion, that it is responsible for no crime, while alcohol is a stimulant which disposes towards aggressive action and admittedly produces crime. The effects of opium are rarely visible and are never seen in public places, Drunkenness on the contrary is a cause of inconvenience in the public streets, and is a degrading spectacle.

(C.) EATING OPIUM.

A second alternative to the use of alcohol to replace the smoking of opium is found in the eating of the drug—a method hitherto practically unknown in China. The many kinds of "anti-opium" pills which have been distributed gratis or sold in vast quantities throughout China are all said to contain opium, and thus the habit of eating instead of smoking has been encouraged. This as Sir John Jordan points out is a far more dangerous practice and infinitely harder to eradicate. Dr. Main, C.M.G., is quoted in the public Press as stating that whereas his Mission formerly always had a large number of persons under treatment for the cure of the habit they have ceased to come now that these pills can be procured.

(D.) MORPHIA.

Another still more deplorable substitute is morphia whether consumed internally or injected hypodermically. Dr. Morrison, correspondent of *The Times*, bears witness to the immense increase in the consumption of morphia,—and lays special stress on the fact that its importation cannot be checked by an increase in duties. In 1904 the duties were raised from 5 per cent. to 200 per cent. and the recorded import fell from 195,133 oz. in 1902 to 96 ozs. in 1907, but there is no reason, he says, to doubt that at the present time the import is nearer to ten tons (smuggled). He adds that "orders have been given for 1,000 lbs. weight in one transaction the morphia being packed in 7, 14, 21, and 28 lb. tins, four in a case. This emuggling is wholesale, while Chinese returning from Borneo, Java, Malay and Siam in a large number of cases bring back morphia as savings to China." The morphia is I believe ordered wholesale (chiefly from London) and transhipped at sea for smuggling.

"The Powers have recently agreed that from 1.1.09, the importation of morphia into China shall be prohibited, while both they and China undertake not to manufacture it in China. The Chinese Government thereupon issued elaborate instructions to regulate the import for medicinal purposes. These Regulations will no doubt be operative as regards the 96 oz. legitimately imported, but since China has already shewn herself so entirely powerless to check smuggling over her 7,000 miles of land and 4,000 miles of sea frontier, it is to be feared that little benefit will accrue from this convention. The Government of Hongkong has however, at once come forward to assist so far as it can. Regulations to control more effectively the transit trade have been issued, making it obligatory to obtain a license and to declare port of destination, and establishing one Government warehouse only.

The present exports to all countries through Hongkong amounted to about 400 cases in 1907, —two which may be added the trade in "opium compounds", (which are chiefly opium and morphia pills), amounting in 1906 and 1907 to an average of 7,938 lbs.

MORPHIA IN ANTI-OPIUM PILLS.

Morphia is not only imported in a liquid form for injection, but also in the insidious form of so-called "anti-opium" pills, which are sold in vast quantities as a cure for opium smoking. The Commissioner of Imperial Maritime Customs states that these morphia pills are obtainable in every medicine shop in Canton and their sale is increasing. The offer of a reward of Tls. 15 for every 12 oz. detected produced no result, and proves how lucrative the business is. The Consul General at Canton sent me some samples of pills for analysis. The contained 1/7 1/12 1/13 1/21 1/26 and 1/37 grain (1·3 to 1·7 grammes) The Viceroy acting on the orders of the Central Government thereupon issued a Proclamation, directing that a scheme must be devised for the supervision of all shops selling anti-opium pills, the amounts of sales reduced, and the analysis more carefully made. He particularly laid emphasis upon the fact that in my letter to the Consul General I pointed out that the vendors of the pills were in many cases exhibiting sign-boards stating that they were sold under Government authority, and in that case the Chinese Government were merely substituting a worse form of opium consumption, after obtaining from India and the British Colonies, under false pretences, a co-operation which seriously affected their Revenue. Thirty samples of pills from Shanghai were also recently analysed at the request of Sir A. Hosie. In 17 samples each pill contained from 1/5 to 1/10 of a grain of morphine, the remainder (all but two) contained lesser quantities.

The Government Analyst in Hongkong has found as much as 26 per cent. of morphia in some of the anti-opium pills imported for sale here, but the local restrictions to which I shall presently allude have been effective in excluding any containing more than about 16 per cent. from the market.

Dr. Graham Aspland writing from Peking has addressed a very striking appeal on this subject to the *China Times*. He says:— "nti-opium tabloids contain morphia in large doses. . . . They are sold and prepared by a British firm doing both wholesale and retail business here in China. How many tons of morphia tabloids are being sold in China at this present moment I would not like to venture to guess, but I am prepared to believe it is appalling. . . . Even in remote country villages morphia tabloids and hypodermic syringes are frequently seen, and a condition of things which allows a Chairman I know to buy daily a dram bottle of Japanese morphia (60 grains) imperatively calls for restriction if not prohibition. There can be no extenuating circumstances associated with the sale of these 'anti-opium tabloids' for I have not found one that contained any antidotal drug —any stimulant or tonic ingredients, but simply morphia made into a tabloid with ordinary household flour, so that the sale is not accompanied with any honest intention of relieving the suffering, but finding that there is a big market for morphia under the name of anti-opium tabloids and powders of foreign trading companies . . . follow this lucrative trade under the heading of benefactors." The writer goes on to quote "the recent Editorial of the *China Medical Journal*"-a scathing denunciation of the Trade in "patent medicines" which "reeks with filth and stinks to heaven with its gross and abominable selfishness."

MAGNITUDE OF THE DANGER.

What the danger is may be gathered from the report of the Government Analyst made after careful enquiry by my instructions, as to the comparative quantities and cost of the four methods of indulgence. He endorses the statement that 4 mace of opium (233½ grains) may be considered as an excess smoker's quantum, as being in accordance with his own observations:—

	Smoking opium.	Eating opium.	Eating morphia.	Injected morphia.
Quantity in grains, 233½ (4 mace)	=	12	= 2	= 1
Cost $1.32	=	11 cents	= 14 cents	= 7 cents

Thus to produce the same narcotic effect 1 grain of injected morphia at a cost of 7 cents—233½ grs. of smoked opium costing $1.32! The profit to the sellers of these pills is also enormous for they are sold at four times the cost—75 per cent. profit. There is little occasion for surpise that vendors and purchasers are alike eager to obtain them!

There is I rejoice to say some indication that the Chinese Government are waking up to the danger. The Governor of Kiangsu submitted a Memorial to the Throne pointing out that, there was some chance of curing opium smoking, but none of curing the morphia habit,—morphia is obtainable at a fraction of the cost. This led to the Edict of July 16th (*Times* August 22.08) in which it

is decreed that any Chinese subject selling morphia (or making instruments for its use) without a Customs' permit shall be banished to a "pestilential frontier of the Empire." But the facts I have already quoted, and the verdict of those who are in the best position to form an opinion, shew that the steps taken have so far been ineffective, and that smokers are becoming eaters or morphia injectors.

While evils such as these are imminent in China, which contains so large and intelligent a proportion of the human race it is time that the conscience of the Western Nations was touched, and that their efforts should be directed towards the real issues, which concern alike their honour and China's welfare, and I earnestly wish that those who so disinterestedly devote themselves to the eradication of opium smoking, would turn their attention to this terrible evil and be content with Regulation and Control of Smoking.

RESTRICTION OF MORPHINE IN HONGKONG.

In Hongkong a strict control is maintained over the sale of morphine and opium compounds. The quantity for local consumption for 1906 and 1907 averaged 5,000 lbs. of the latter. In order to enhance the price every person licensed to sell has to pay Royalties to the Opium Farmer, so that all the machinery at his disposal for detecting illict import and sale is brought into play. Licenses are only granted to qualified Chemists of repute and to such Chinese Druggists as had vested interests in the trade before the introduction of the Legislation. If the business changes hands the licenses are not renewed. Licensees are required to keep books recording all sales and to issue certificates to all purchasers. Several of these licenses to Chinese vendors have lately been cancelled for breach of the regulations, and it is proposed not to renew the remainder after one year's notice. At present exemption is only granted to certain well known medicines prepared in Europe or America (specified in a schedule) and to all prescriptions made up on the order of a qualified medical practitioner. Representations have been made by the Chamber of Commerce and by one of the large European druggists complaining of the restriction on trade, and claiming exemption on all preparations in which opium or morphia is not the sole ingredient, but this would defeat the object in view, *viz.*, to check the sale of the so-called "anti-opium" pills containing morphine, etc. To limit the quantity of opium or morphia contained in a pill would obviously be futile for several could be taken to produce the result desired. If it should be possible I should wish to prohibit the sale of all pills, powders, or draughts (except on the prescription of a qualified medical officer) which contained opium or morphia, unless in combination with some other drug in such proportion that it would be disagreeably operative—say an aperient or an emetic—if the pills were consumed for non-medicinal purposes. The transmission by post of opium, morphine or cocaine is prohibited and it is also proposed to abolish the bonded warehouse for compounds of opium and morphine hitherto maintained by the Farmer and to retain a Government warehouse only. The question is at the present moment under the consideration of the Government.

The drastic Ordinance of September 1893 "for the suppression of the pernicious practice of injecting preparations of morphine by unqualified persons," together with the provisions of the "Prepared Opium Ordinance" which imposed a Royalty of $30 per tael for morphia (=600 per cent. *ad valorem*) and $5 for opium, have been so effective in restricting the illicit use of these drugs, that whereas in the Straits Opium Report Hon. Dr. Galloway stated that 39 out of a group of 595 prisoners taken at random (*viz.*, 6½ per cent) bore injection scars, only one person so scarred was on a recent examination found in the whole of the inmates of both hospitals and gaols of this Colony.

In June 1908 a Pharmacy Ordinance was enacted under which morphine and cocaine and their preparations were scheduled as Poisons with further restrictions as to their wholesale and retail use. In view of the experience of India, cocaine (though not at present abused here) was made the subject of elaborate regulations of a similar nature to those already in force regarding morphine and opium compounds in order to control the wholesale trade and prevent illicit import to China.

OPIUM CURES. (A.) QUACK REMEDIES.

A decoction of the leaves of the *Combretum Sudaicum* has been stated to be a cure for the opium habit. The Director of the Botanical Department, Singapore, informs me that it is a complete fraud which only lasted three months, during which time the promoters made great gains. The only man he knew who tried it became a wreck—took to opium again and died. This was confirmed by the results obtained by the Viceroy of Szechuan who imported a great quantity at the instance of Mr. Alexander.

(B.) EDUCATION.

The education of public opinion, on which both the Straits Commission and M. Hardouin lay stress, is the only real method of curing the habit, the more so that it is usually the rich who smoke to excess. This view is rightly emphasised in the original decree, and there seems little doubt that, throughout the Chinese Empire, among the better classes there has been a very real progress in this direction. Smoking is now prohibited in the Army, Navy, and Civil Services and in schools and colleges. The evils of the opium habit should be inculcated in every school not only in China, but in the Foreign Concessions and British Colonies. But above all stress should be laid on the evils of eating opium and of eating or injecting morphia and also on the misuse of alcohol.

PREVALENCE OF SMOKING.

It may be of use to restate the facts as to the prevalence of opium smoking. Sir John Jordan gave it as his opinion that only 8,000,000 (say 2 per cent) of the population of China were addicted to the habit. Sir Robert Hart, I believe, estimated it (in 1881) at a much lower figure. Dr. Ayres states that the Chinese Customs returns estimate the number of smokers to population in China at 2 per cent. (1863)—probably referring to Sir Robert Hart's estimate. Mr. Clementi in a recent elaborate and very careful calculation puts it at considerably less than 2 per cent for the whole of China, but 4.4 per cent in the province of Szechuan; where purely native opium is smoked, while in Hongkong where the adult male population (who alone smoke) is three times that of the adult females (while the latter predominate in China) the percentage of smokers is 6.25. These figures are challenged by a paper named *Chinese Opinion* which argues that it is only the adult male population which I should be reckoned, and works out a percentage of 8.31. Mr. Clementi's figures for adult males are, however, more liberal, being 12.94 for Hongkong only. As the population of China is largely rural the lower estimate is probably more correct, and allowing for a proportion who smoke less than the amount calculated (though this again is probably more than balanced by the excessive smokers) it will probably be approximately correct to say that not more than 1.5 per cent of the total population smoke opium, and not more than ten per cent of the adult males are smokers, a large proportion of whom are only casually addicted.

DIFFICULTY OF GIVING UP THE HABIT.

It has been stated that great difficulty is experienced in giving up the habit, but in the Hongkong gaol the drug is entirely prohibited with no ill results beyond a little temporary diarrhœa.

CONCLUSION.

I have attempted in the foregoing paragraphs to shew that those who may claim to be not less interested in the question of the Native Races, and in the welfare of the intelligent, industrious and most interesting population of China than the Mover and Seconder of the Resolution in the House of Commons, have some doubts as to whether the common object we all have in view can best be achieved by the particular methods proposed. I have endeavoured to present a reasoned opinion on this subject and to submit some practical suggestions, without going too largely into the immense field of discussion which this subject opens up; and while doing so I trust I may claim to have vindicated the Colony of Hongkong from the charge of apathy, and of having made no sacrifices to promote the Policy of the Home Government in this matter.

I trust nothing I have said in this Memo. may lean to the conclusion or inference that I do not recognise the evils of the Opium Habit. I have quoted on page 11 from the Indian Commission to shew that they are often exaggerated, but I learn from Sir A. Hosie that in Szechuan they are deplorable, mainly because the population is very poor, and there is a tendency for heavy smokers to forego their food, and spend their money upon opium instead. He believed (as many experts do) that as long as a man is well nourished, opium smoking does him little or no harm, since post mortem examinations have shewn that the organs are entirely unaffected. The victim of indulgence really suffers from starvation. In Hongkong therefore where wages are high, and employment easy to obtain, the coolie can afford to feed well, and also to pay for his smoke and so little or no harm is done. But even in Hongkong smoking is a great economic evil tending to the waste of time, and of money in unproductive self-indulgence. My s le object so far as the general question is concerned has been to demonstrate:—

(a.) That it must be dealt with gradually and not by precipitate methods.

(b.) And above all that there are other and worse evils which unless foresight and care are exercised may prove worse than smoking.

And in so far as this Colony is concerned I have hoped to shew:—

(a.) That we have not been idle and apathetic in the aspects of the question which seemed to us of paramount importance.

(b.) That owing to the control exercised and to the local conditions of the population, the evil here assumes a very different aspect from what it does in some parts of China.

F. D. LUGARD.

GOVERNMENT HOUSE,
October 18th, 1908.
Revised: February 25th, 1909.

THE OPIUM COMMISSION.

TEXT OF THE RESOLUTIONS.

The following are the Resolutions adopted by the International Opium Committee to be submitted to the respective Governments represented:—*Be it resolved*:

1. That the International Opium Commission recognizes the unswerving sincerity of the Government of China in their efforts to eradicate the production and consumption of Opium throughout the Empire; the increasing body of public opinion among their own subjects by which those efforts are being supported; and the real, though unequal, progress already made in a task which is one of the greatest magnitude.

2. That in view of the action taken by the Government of China in suppressing the practice of Opium smoking, and by other Governments to the same end, the International Opium Commission recommends that each Delegation concerned move its own Government to take measures for the gradual suppression of the practice of Opium smoking in its own territories and possessions, with due regard to the varying circumstances of each country concerned.

3. That the International Opium Commission finds that the use of opium in any form otherwise than for medical purposes is held by almost every participating country to be a matter for prohibition or for careful regulation; and that each country in the administration of its system of regulation purports to be aiming, as opportunity offers, at progressively increasing stringency. In recording these conlusions the International Opium Commission recognizes the wide variations between the conditions prevailing in the different countries, but it would urge on the attention of the Governments concerned the desirability of a re-examination of their systems of regulation in the light of other countries dealing with the same problem.

4. That the International Opium Commission finds that each Government represented has strict laws which are aimed directly or indirectly to prevent the smuggling of Opium, its alkaloids, derivatives and preparations into their respective territories: in the judgement of the International Opium Commission it is also the duty of all countries to adopt reasonable measures to prevent at ports of departure the shipment of Opium, its alkaloids, derivatives and preparations, to any country which prohibits the entry of any Opium, its alkaloids, derivatives and preparations.

5. That the International Opium Commission finds that the unrestricted manufacture, sale and

distribution of Morphine already constitute a grave danger, and that the Morphine habit shows signs of spreading: the International Opium Commission, therefore, desires to urge strongly on all Governments that it is highly important that drastic measures should be taken by each Government in its own territories and possessions to control the manufacture, sale and distribution of this drug, and also of such other derivatives of Opium as may appear on scientific inquiry to be liable to similar abuse and productive of like ill effects.

6. That as the International Opium Commission is not constituted in such a manner as to permit the investigation from a scientific point of view of Anti-Opium remedies and of the properties and effects of Opium and its products, but deems such investigation to be of the highest importance, the International Opium Commission desires that each Delegation shall recommend this branch of the subject to its own Government for such action as that Government may think necessary.

7. That the International Opium Commission strongly urges all Governments possessing Concessions or Settlements in China, which have not yet taken effective action towards the closing of opium divans in the said Concessions and Settlements, to take steps to that end, as soon as they may deem it possible, on the lines already adopted by several Governments.

8. That the International Opium Commission recommends strongly that each Delegation move its Government to enter into negotiations with the Chinese with a view to effective and prompt measures being taken in the various foreign Concessions and Settlements in China for the prohibition of the trade and manufacture of such Anti-Opium remedies as contain Opium or its derivatives.

9. That the International Opium Commission recommends that each Delegation move its Governments to apply its pharmacy laws to its subjects in the Consular districts, Concessions, and Settlements in China.

OPIUM IN INDO-CHINA.

REPLACING LOST REVENUE BY A LOTTERY.

The Government of Indo-China has appointed an Opium Commission which took evidence at Saigon, to inquire into the extent of the consumption of the drug in the Colony, the best way to stop opium smoking, and the devising of ways and means to replace the loss of revenue that would result from a suppression policy.

The report which has just been published will not quite satisfy anti-opium faddists. A Haiphong newspaper—*Annam Tonkin*—which summarised the report says that according to the Commission, opium-smoking is uncommon among Europeans in the Colony. As to the natives it is unknown almost among the cultivator class. Among the well-to-do classes there are not many opium smokers. It is however, prevalent among the Chinese section of the population, but not to such an extent as in China.

Opium smoking is very common in Upper Tonkin and Laos which lie on the Chinese frontier and into which the drug is imported from Yunnan, in Western China. The Commissioners are agreed as to the evil results of excessive opium smoking, and as regards the benefits of measures taken to root out the habit. But, they are against the idea of making it a crime to smoke the drug, and consider it to be unjust to punish officials who smoke. The only remedy they recommend is to put the consumption of opium under restriction. The restrictions are a slow increase in the price of manufactured opium; forbidding the sale of opium by-products; sales of opium to be limited to the shops; and the gradual closing of public opium shops, beginning with those in the small towns. Besides this, anti-opium teaching should be given in schools. Anti-opium placards and posters in public places are expected to take good effect. Finally, all smokers should be shut out of the public service.

The Commission found it difficult to recommend substitutes for the opium revenue, which yields yearly about six millions of francs. It would not be advisable to increase the land assessment, the poll tax, or the taxes on salt and spirits. Any fresh taxation should fall on the Chinese section of the community who pay the opium revenue, in the shape of heavier customs duties on articles they consume. This merely applies to the shrinkage of revenue arising from restricting opium consumption, A prohibition policy calls for more far-going measures such as increasing the taxes on tobacco and petroleum. The Commissioners shrink from recommending the establishment of a gambling farm. Instead of it, they advise the starting of a lottery in the style of those conducted in Europe.

THE VISIT OF THE PHILIPPINE SQUADRON.

ARRIVAL AT HONGKONG.

Yesterday afternoon the five cruisers composing the Third Squadron of the American Pacific Fleet arrived at Hongkong, the fact being announced by the booming of the big guns saluting the port and the British Admiral, as well as the flags of the other warships in the harbour. Their proximity was made known by wireless telegraphy about three o'clock and almost punctual to the expected time the quintette of ships dropped their anchors in the man-of-war anchorage. The squadron is under the command of Rear-Admiral Giles B. Harber, and his flagship is the *Charleston*. The other officers are:

Charleston, Commander Harry S. Knapp.
Denver, Commander James P. Parker.
Cleveland, Commandar Louis S. Gan Duzer.
Galveston, Commander John A. Hoogewerff,
Chattanooga, Commander Edward. E. Wright.

Besides these cruisers there are also in the harbour the U.S.S. *Helena*, (Commander W. W.. Buchanan) and the U.S.S. *Samar* (commanded by Ensign Thomas Withers), while in addition Rear Admiral Jewell (retired) and Mrs Jewell, and Rear Admiral Mead (retired) are in the colony. The former, who are staying in the Hongkong Hotel, sail for America by the *Asia* on Tuesday, and the latter remain here for about a week.

The American Admiral will make his official call on His Excellency the Governor this morning about 11.45. He will land at Blake Pier where he will be received by a guard of honour furnished by the Buffs.

On the 16th inst. there will be a dinner at Government House, and it is understood that Admiral Lambton will also entertain the visitors to dinner.

An elaborate programme is being prepared for the entertainment of the men. This will include sports, a tiffin, a tattoo dance, and other features.

Saturday was devoted to the usual courtesy visits. After calling on Admiral Sir Hedworth Lambton on the *King Alfred*, Rear-Admrial Giles B. Harber, commanding the third squadron of the United States Pacific Fleet, accompanied by Commanders Harry S. Knapp, Louis S. Van Duzer, James P. Parker, Marbury Johnston and Edward E. Wright, paid an official call on His Excellency Sir Frederick Lugard at Government House. The landing took place at Blake Pier, where a guard of honour furnished by the 13th Rajputs was drawn up, and where Captain Taylor, A.D.C. to His Excellency and Dr. A. P. Wilder, American Consul General, received the distinguished party. The band played "The Star-Spangled Banner," and after Rear-Admiral Harber had inspected the guard of honour, the party entered chairs and were conveyed to Government House. The cruisers in the harbour fired salutes on the occasion.

A dinner is being arranged by the British Admiral. The visiting officers will also be entertained at Government House on Tuesday night, and the night following the Hongkong Club will be their hosts at dinner, to which the officers of the French cruiser are also invited.

The Officers of the Squadron will be entertained by His Excellency the Governor at Government House on Tuesday next, and invitations have been issued for an "at home" with dancing, from 10 to 12 p.m.

The following details of the visiting American Squadron which is expected to-night may be of interest:

Charleston, Armoured cruiser of the St. Louis class. Length, 424 feet; tonnage, 9700; horsepower, 21,000; speed, 22 knots; armament,—6in, fourteen; 14pr., eighteen; smaller thirty six, torpedo tubes. She was built at San Francisco and launched in 1906.

Denver, Armoured cruiser of the Cleveland class, built at Philadelphia and launched in 1904; Length, 292ft; tonnage, 3200; horsepower, 4500; speed, 165 knots. Armament, 5in., ten; twelve smallers guns.

Cleveland, Armoured cruiser built at Port Elizabeth and completed in 1903. Details as already given.

Galveston. Built at Richmond in 1904. Same details.

Chattarooga. Armoured cruiser of the Cleveland class, built at Bath, and launched in 1904. Details same as that already given.

THE COLLISION IN HONGKONG HARBOUR.

The collision which we reported on Saturday morning between the *Hoi Ming* and a German steamer whose name was then unknown but which is now known to be the *Ambria*, is not responsible for such a large loss of life as was at first stated. So far only four persons are reported missing, but a number of people were injured.

It appears that the collision took place about seven o'clock on Friday night. The *Hoi Ming*, Captain Evans in charge, was entering the Central Fairway when it was struck by the *Ambria*. The impact was not direct. The blow was rather a slanting one. Had it been otherwise the *Hoi Ming* would probably have been cut in two. As it was, the smaller vessel had her port side stripped, and several passengers were knocked into the water. Most of them were, however, rescued by sampan people who readily came to their assistance. The *Hoi Ming* was so badly damaged that she had to return to the pier. She had on board at the time of the accident an exceptionally large number of passengers bound for Kongmun.

On Sunday we learned that three bodies had been recovered.

THE "FATSHAN" INCIDENT.

It will be remembered that some time ago we reported in our columns, says the *N.C.-Daily News*, the arrival of a Cantonese, by name Ho Chen-huan, in Shanghai, from Canton, in connexion with the *Fatshan* incident, in which a Portuguese ticket collector on board the steamer *Fatshan* was alleged to have caused a Chinese passenger's death by kicking him violently. Ho Chen-huan came with the object of stirring up Chinese feelings on the subject, on the ground that neither the Portuguese Consul nor the Chinese authorities had taken steps which afforded the Canton public satisfaction in the matter.

On the afternoon of Feb. 27th at 2 o'clock a large mass meeting was held in the Cantonese Hospital in Haining Road, which was attended by several hundred people, mostly Cantonese.

Mr. Ho opened the meeting by recapitulating the *Fatshan* incident, and stated that the Portuguese Consul had not replied to the Viceroy, who had written to him several times. Mr. Huang Yu-kan then delivered an impressive speech and brought it home to his audience that unless Chinese displayed a united front, foreign aggression would be aggravated and Chinese lives would be regarded as no weightier than "wild goose feathers" in foreign eyes. Resolutions were then passed with acclamation to the effect that telegrams be dispatched to the Viceroy at Canton, the Waiwupu and the Portuguese Minister at Peking asking for severe punishment of the offender. Mr. Hsiao-shih, Editor of the *Eastern Times* drew up the telegram and Mr. Chêng Hsi-ku, Editor of *Public Opinion* was appointed Treasurer of the contribution fund which reached over $200.

HONGKONG UNIVERSITY.

It is announced that Mr. Tsang Sik Chow, a former student of Queen's College, and now in business at Saigon, has intimated his willingness to contribute a sum of $10000 towards the Endowment Fund of the University and has also expressed the belief that he can induce other Chinese there to contribute as much as $100,000 toward the same fund.

COMPANY REPORTS.

GEO. FENWICK AND COMPANY, LIMITED.

The report of this Company is as follows:—

The Directors have now to submit to the shareholders the Accounts for the year ending 31st December, 1908.

The Directors regret that for the first time in the history of the Company, the accounts show a debit balance to be carried forward to the new year. The amount of this balance is $7,421.92. This unfortunate result has been brought about mainly by the heavy legal expenses incurred in contesting unsuccessfully a claim made against your Company by a sub-contractor.

DIRECTORS:

Mr. Percy Tester was invited to join the Board of Directors during the year. He now retires in accordance with the Articles of Association, but offers himself for re-election.

AUDITOR:

The Accounts have been audited by Mr. H. Percy Smith, who offers himself for re-election.

A. RODGER,
Chairman.

Hongkong, 27th February, 1909.

BALANCE SHEET, 31st DECEMBER, 1908.

LIABILITIES.

Capital:—		
18,000 shares of $25 each, $450,000		
10,800 shares issued and fully paid		$270,000.00
Reserve fund		42,986.73
Hongkong and Shanghai Banking Corporation loan account (secured by mortgages)		137,473.09
Amount received in advance on account of contract in hand		2,500.00
Sundry creditors		12,703.06
		$465,662.88

ASSETS.

Value of land and buildings at Wanchai and North Point as per last report		$300,750.86
Value of machinery, plant, launches and office furniture as per last report	$57,627.53	
Additions during the year	2,097.05	
	$59,724.05	
Sold during the year	$ 30.00	
Written off for depreciation	1,694.58	
	$1,724.58	
		58,000.00
Value of stock in trade as per valuer's certificate		75,950.73
Value of work in progress as per valur's certificate		6,094.58
Cash on hand		242.36
Hongkong and Shanghai Banking Corporation		10,465.93
Mercantile Bank of India Limited		328.53
Investments		750.00
Sundry debtors		5,657.97
Profit and loss account		7,421.92
		$465,662.88

PROFIT AND LOSS ACCOUNT.

Dr.

To salaries		$11,470.00
To crown rent and taxes		1,264.20
To depreciation on plant account		1,694.58
To legal expenses and amount of judgement	$16,673.65	
To amount of bad debts written off	1,938.21	
		18,611.86
		$ 33,040.64

Cr.

By balance of last year's account	$3,726.91
By balance of working account	21,743.14
By transfer fees	3.00
By bonus from Insurance Company	1.36
By dividend on investments	45.00
By interest	99.31
By balance	7,421.92
	$ 33,040.64

CHINA SUGAR REFINING CO.

The report of this Company is as follows:—

The General Agents beg to submit to shareholders their report on the Company's business for the year 1908, with a statement of accounts to 31st of December last.

There was a good demand for the Refinery's Sugars throughout the year, at prices which gave a fair margin of profit. The gain on working was $273,518.10, and the sum at debit on 1st January, 1908, was reduced to $5,858.21, which is carried forward to next account.

The General Agents and Consulting Committee recommend that a dividend of $5 per share, absorbing $100,000 be paid out of equalization of dividend fund.

Consulting Committee:—This consists of Hon. Sir Paul Chater, C.M.G., and Messrs. E. Shellim, F. Maitland, H. P. White and J. W. C. Bonnar who offer themselves for re-election.

Auditors:—The accounts have been audited by Messrs. W. H. Potts and H. Percy Smith, F.C.A., who offer themselves for re-election.

JARDINE, MATHESON & Co., LTD.,
General Agents,

Hongkong, 9th March, 1909.

BALANCE SHEET—ONE YEAR—to 31st Dec 1908.

CAPITAL AND LIABILITIES.

Paid-up capital	$2,000,000.00
Equalization of dividend fund	450,000.00
Repairs and renewals account	56,000.00
Sundry creditors	522,350.65
	$3,029,199.26

ASSETS.

Property account consisting of—East Point Refinery, Bowrighton Refinery, Swatow Refinery, Hongkong Distillery		$1,531,209.03
Cash		5,338,52
Raw and refined sugar, &c.		1.102,847.50
Spirits and rum, &c.		7,042.00
Charcoal coal, stores, &c.		136,229.52
Sundry debtors		98,132.75
Shipments	$297,546.42	
Less advances	155,004.70	
		142,541.70
Balance of profit and loss account		5,858.25
		$3,029,199.26

PROPERTY ACCOUNT.

To Balance on 31st Deeember, 1907	$1,531,209 03
By Balance on 31st December, 1908	$1,531,209.03

PROFIT AND LOSS ACCOUNT.

To Balance brought forward from last year	$279,371,34
To Commission	25,290,62
To Remuneration to Consulting Committee	2,500.00
To Auditors' Fees	750.00
To Interest	33,462.95
	$341,374,91
By Gain on Working	$335,516.67
By Balance	5,858.24
	$341,374,91

LUZON SUGAR REFINING CO.

The report of this Company is as follows:—

The General Agents beg to submit to shareholders their report on the Company's business, with a statement of accounts to 31st of December last.

Owing to the restricted demand for the Company's Sugars during the year the Refinery could only be worked on a reduced melt, and frequent stoppages were found necessary.

The gain on working was $12,719.42, and after converting the assets into Hongkong currency at par, allowing for interest and auditor's fee the sum at debit is $135,893.43 which is carried forward to next account.

Consulting Committee:—Mr. A. G. Wood resigned his seat upon his departure from the Colony, and Mr. J. W. C. Bonnar was invited to join the Committee in his place. Mr. H. P. White and Mr. J. W. C. Bonnar offer themselves for re-election.

Auditor:—The accounts have been audited by Mr. A. R. Lowe, C.A., who offers himself for re-election.

JARDINE, MATHESON & Co, LTD.,
General Agents.

Hongkong, 9th March, 1909.

BALANCE SHEET, 31st DECEMBER, 1908.

LIABILITIES.

Capital, 7,000 shares, of $1000 each	$700,000.00
Jardine, Matheson & Co., Ltd.'s current account	204,031.68
Account payable	1,671 03
Hongkong and Shanghai Bank (advance a/c)	20,000.00
	$925,702.71

ASSETS.

Property account, as per last account		$629,642.43
Hongkong and Shanghai Banking Corporation		2,395.48
Cash in hand		1,023.16
Raw and refined sugar, &c.		104,532.66
Coal, charcoal, stores, &c.		38,998.06
Accounts receivable		13,217.49
		$789,809.28
Profit and loss account,— Loss to 31st December, 1907	$135,132.55	
Loss for year ending 31st December, 1908	760.88	
		135,893.43
		$925,702.71

PROFIT AND LOSS ACCOUNT.

For the year ending 31st December, 1908.

To interest		$13,186.39
To auditor's fee		50.00
To loss in exchange		243.91
		$13,480.30
By gain on working		$12,719.42
By balance loss as per balance sheet		760.88
		$13.480.30

THE DAI NIPPON SUGAR REFINING COMPANY.

Japanese papers report that success in the negotiations for a compromise in the liabilities of Dai Nippon Sugar Refining Company is hopeless, and the Mitsu Bishi Banks, which undertook the relief of the company, have at length declined to advance the Y3,000,000 required and have withdrawn their assistance.

BANK DIVIDENDS.

THE YOKOHAMA SPECIE BANK, LTD.

We are officially informed that at the half yearly meeting of shareholders of this Bank held at the Head Office, Yokohama, on the 10th inst., it was resolved to pay a dividend of 12 per cent p.a. for the half year ending the 31st December 1908; to add to the Reserve Fund Yen 400,000, and to carry forward the sum of Yen 1,140,000 to the next account.

THE CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

Telegraphic information was received from the Head Office of the Chartered Bank yesterday that at the approaching meeting of shareholders, the Directors will recommend a dividend for the past half year at 15 per cent. per annum, free of Income Tax, that £25,000 be writen off Bank premises account, that £50,000 be placed to reserve, (which will then stand at £1,575,000) that £134,000 be carried forward as undivided profit and that a bonus of 10 per cent be paid to the staff of the Bank.

The Directors of the Shanghai Gas Co. Ld., have decided to recommend the payment of a final dividend for 1908, of Tls. 3.00 per share being at the rate of six per cent on the paid up capital, making thirteen per cent for the year.

COMPANY MEETINGS.

HONGKONG HOTEL COMPANY, LIMITED.

The ordinary half-yearly meeting of shareholders of the Hongkong Hotel Co., Ltd., was held at the Company's Hotel on the 6th inst.. Mr. W. Hutton Potts (chairman of directors(presided. The others present were:—Dr. J. W. Noble, Mr. J W. C. Bonnar (directors), Mr. C. Mooney (secretary), Messrs. A. Turner, Mowbray S. Northcote, E. D. Haskell, F. Maitland, James Walker, A. F. Davies, She Po Shum, Lai Chan and Fung Tat Hang.

The SECRETARY having read the notice convening the meeting,

The CHAIRMAN said:—Gentlemen.—As you will notice from the report, the working of the Hotel shows an increase of $3,169.14 over the corresponding period in 1907. This your directors consider satisfactory, taking into account the general dulness of business during the past year and the fact that for 5½ months there was no return from that portion of the Hotel known as the Old Building, the demolition of which was started about the middle of July. This extra profit has only been arrived at by ever constant supervision of all expenditure, the gross receipts being some $10,000 less than for the same time in 1907. The nett profit for the half year of $54,295.40 is also some $5,000.00 more, notwithstanding the loss of over $5,000 is rents, but this is principally accounted for by the larger amount ($3,713.00) brought forward from the previous half The resolutions authorising the issue of the fresh capital required for the building of the new south block were duly passed last week and circulars have been sent to shareholders advising them of this and of the number of shares to which they are entitled. The work of erecting the steel framework is now under way and we hope to see the building completed in time for the season of 1910. The East wing (where the collapse was) which we had hoped would be completed at least six months ago is still unfinished notwithstanding the heavy penalty called for in the contract, so this part of the building cannot be used for Hotel purposes. The new entrance in Pedder Street is practically finished and I think you will all admit that it is a great improvement on the old one, which was very insigificant for a Hotel of the importance of ours.

There being no questions,

The CHAIRMAN moved the adoption of the report and accounts, which was seconded by Mr. NORTHCOTE and carried.

On the motion of Mr. WALKER, seconded by Mr. HASKELL, Mr. J. W. C. Bonnar's appointment to the directorate was confirmed.

Mr. MAITLAND proposed, and Mr. NORTHCOTE seconded the re-election of Mr. W. H. Potts as a director. Carried.

Messrs. H. U. Jeffries and A. R. Lowe, C.A were re-elected auditors on the motion of Mr. TURNER, seconded by Mr. DAVIES.

The CHAIRMAN:—Dividend warrants will be ready on Monday next on application to the Secretary. That is all the business, gentlemen. Thank you for your attendance.

UNION WATER BOAT COMPANY.

The fourth annual general meeting of the shareholders of the Union Waterboat Co. Ltd. was held at the offices of Messrs. Dodwell & Co. Ltd. on the 8th inst., Mr. E. G. Barrett (Chairman) presided and there were also present Messrs J. W. C. Bonnar, Duncan Clark, R. Shewan, H. J. Van den Bosch (Consulting Committee), R. Coughtrie (Secretary), J. D. Auld, G. Morton Smith, E. A. G. May T. Petrie, and B. Mori.

The SECRETARY having read the notice convening the meeting,

The CHAIRMAN said:—Gentlemen, I presume I can dispense with the formality of reading over the report and accounts. There have been no additions to our fleet during the year and I am glad to say we have had no losses. One of our boats however was sunk in shallow water during the typhoon of last July but was successfully raised and reconditioned at a cost of $1,400. The boats have all been kept in thorough repair and the expenses debited direct to Working Account. Our Marine Surveyor reports that all our twelve boats are in first class condition. From the accounts you will notice there is a profit on the year's trading of a little more than $35,000—being over $6,000 more than the previous year, and the amount available for distribution is $29,971.31 out of which sum it is proposed to pay a dividend of 6 per cent absorbing $16,633.80, write off the value of the waterboats $13,165—and carry forward to next account $172.51, which I trust will meet with the approval of the shareholders. At the last meeting our Chairman said the Company would endeavour to create an Insurance Fund to cover the risk on the uninsured boats, but we are not at present in position to do so. We propose however to write a substantial sum off the value of the boats, some of which are getting rather ancient, and this will answer the same purpose as creating an Insurance Fund. I am half afraid, Gentlemen, to mention trade depression, I think this has been referred to in nearly every report presented to the Public during the last two years. However I hope when the shipping trade does improve, and if we do not suffer severely from typhoons, we shall be able to pay you increased dividends in future. I now beg to move that the report and accounts be received, approved and adopted. After this resolution has been seconded I shall be pleased to reply to any question shareholders may wish to ask.

Mr. AULD seconded and the report was adopted.

On the motion of Mr. J. D. AULD, seconded by Mr. M. SMITH, the appointment of Mr. H. J. Van den Bosch and Mr. J. W. C. Bonnar to the Consulting Committee was confirmed.

The CHAIRMAN—That completes the business, gentlemen. Dividend warrants can be had on application.

HONGKONG FIRE INSURANCE CO., LD.

The fortieth ordinary meeting of shareholders in the Hongkong Fire Insurance Company, Ltd., was held at the offices of the Company. Messrs Jardine, Matheson and Co., on the 9th inst. Hon. Mr. W. J. Gresson presided, and there were also present Sir Pund Chater and Messrs H. P. White, C. S. Gubbay, F. Maitland (consulting committee), L. N. Leefe (setcretary), J. Barton, C. Osmund, A. H. M. da Silva, D. Gazdar, J. M. E. Machado, F. Smyth, A. Turner, A. O. Lang, H. Percy Smith, Ho Fook and Wong Leung Him representing a total of 580 Shares.

The SECRETARY read the notice convening the meeting.

The CHAIRMAN said—Gentlemen. The report and accounts having been in your hands for some days, I will, with your permission, follow the usual course and take them as read. The year 1907 has, I am glad to say, been a prosperous one for the Company and this in spite of the continued depression in trade and the serious outbreaks of fire in the foreign owned and occupied property in Shanghai in which place the Company's interests are very considerable. The premium income is practically the same as that for 1906 but losses are some $33,000 less. The surplus of $330,232.90 is one of the best the Compay has ever been able to show, and I trust the proposed appropriation meets with your approval, viz.—the payment of a dividend of $27.00 per share absorbing $216,000 and the transfer of $114,232.90 to augment the Reserve Fund. Business in the areas to which the Company's operations are confined does not call for any special comment on this occasion. Dull trade must of necessity have a contracting influence on our premium income, and this, I think, affords the explanation of the slight reduction that, it seems probable, the completed figures for 1908 will show but which should disappear directly the current of trade flows more freely. The amount we carry forward does not compare favourably with previous years, but if unexpired risks run off without exceptional losses, the result for the year 1908 should be satisfactory. Before moving the adoption of the report and accounts I shall be pleased to reply to any questions that shareholders may wish to ask.

No questions were asked, and the CHAIRMAN moved the adoption of the report and accounts as presented.

Sir PAUL CHATER seconded, and the motion was agreed to.

On the motion of Mr. GAZDAR, seconded by Mr. MACHADO, the Hon. Sir Paul Chater and Messrs. White, Maitland and Gubbay were re-elected members of the consulting committee.

Messrs. W. Hutton Potts and H. Percy Smith were re-appointed auditors on the motion of Mr. TURNER, seconded by Mr. LANG.

The CHAIRMAN—That concludes the business, gentlemen. Dividend warrants can be had on application to-morrow. Thank you for your attendance.

HONGKONG AND KOWLOON WHARF AND GODOWN COMPANY.

The twenty-second annual meeting of shareholders in the above Company was held on Mar, 10th at the offices of Messrs Jardine, Matheson & Company. The Hon. Mr. W. J. Gresson presided and there were also present Sir Pau Chater, Messrs E. G. Barrett, A. S. D. Cousland, J. W. C. Bonnar, G. Friesland, C. S. Gubbay, W. Helms, H. A. Siebs, E. Shellim (directors), R. J. MacGowan (Acting secretary), Captain F. A. Brown, Messrs. F. Smyth, W. H. Wickham, H. Percy Smith, Ho Fook, A. W. Smith, A. Turner, Capt. Rolfe, A. Forbes, A. H. Ough, and W. S. Brown.

The SECRETARY having read the notice convening the meeting,

The CHAIRMAN said—Gentlemen—The report and accounts having been in your hands for several days I propose with your permission to take them as read. You will probably have observed that the accounts are presented in a somewhat different form from previous years, bringing them into line with those of other Companies. Profit and loss account is debited direct with the amount spent during the year on repairs, which were unusually heavy, owing to the disastrous typhoon which visited the Colony in July, and to dredging operations having become necessary to meet the requirements of the larger vessels now berthing at the wharves. As you will see from the figures before you our total expenditure under these headings amounted to the very large sum of $94,000. The balance of profit and loss account is $81,055.67, from which your Directors recommend that $50,000 be written off lighters. You will recollect that after the typhoon of September 1906, in which the Company lost all its wharves except one, a large number of lighters were built, partly to replace those lost in the typhoon, but principally to enable the Company to continue its business while the wharves were being reconstructed. The lighters, of course, cost more than they would have done in normal times, which explains why it is necessary to write off a large amount. The sum of $953.11 which it is proposed to write off stores represents some old stock of gear, now practically worthless. The balance of $30,102.56 it is proposed to carry forward to new account. For the first time in the Company's existence your Directors are unable to recommend the payment of a dividend. I do not think this will come as a surprise to any of you. It has been generally known that stocks of every description of cargo, and especially of yarn and piece goods, have been diminishing month by month. Two years ago over 150,000 bales of yarn were stored with us, and our capacity was taxed to the utmost. During last year the stock fell to 30,000 bales, and though we closed up the empty godowns and cut down expenses in every direction it has been impossible to make up for the loss in storage earnings, which amounted to $124,000. Other earnings were less by $25,000; on the other hand we reduced our expenses over $40,000 The condition of trade, not only in this Colony but throughout the world, is so well known to all of you that I need not enlarge upon the effects which it has had upon our business, but before proposing the adoption of the report and accounts, I shall be pleased to reply to any questions which you may wish to ask. Regarding the future, I may say that the accounts for January compare favourably with those of last year, and there are indications that an improvement in business is setting in, in which this Company may reasonably hope to participate.

There being no questions,

The report was adopted on the motion of the CHAIRMAN, seconded by Mr. PERCY SMITH, who, in doing so, said—I sincerely trust that the

closing sentence of your speech may be the silver lining to a more golden cloud. The metaphor is rather mixed, but I feel sure that in the near future when the railway is an accomplished fact we may hope for still better things. I sincerely trust it may be so.

The appointment of Messrs. Barrett, C. S. Gubbay, J. W. C. Brodersen and W. Helms to the board of directors was confirmed on the motion of Mr. WICKHAM, seconded by Mr. SMITH.

Mr. TURNER proposed and Capt ROLFE seconded the re-election of Messrs. Shellim and Cousland to the directorate.

Carried.

Capt. BROWN proposed the re-appointment of Messrs. Potts and Gourdin as auditors.

Mr. SMYTH seconded, and the motion was agreed to.

The CHAIRMAN—That is all the bussiness, gentlemen. Thank you for your attendance.

CENTRAL STORES, LIMITED SHANGHAI.

The fourteenth ordinary general meeting of shareholders of the Central Stores, Limited, was held at the Palace Hotel, Shanghai, on the 5th inst.

The Chairman said:—During the earl, part of the year under review, the depression in trade which was felt in 1907, continued, as shown by the absence of transient visitors during that period; however, I am happy to say, a revival took place towards the end of the year and is continuing. We were fortunate in securing the contract for the entertainment of the U S. Fleet in Amoy, which although, out of our base of operations, I am pleased to tell you, proved satisfactory in every way, and gave the staff a valuable experience, which would go a long way for future operations of a similar nature. You will see from the accounts that, after making full provision for Depreciation, Bad and Doubtful debts etc., there is an available balance for distribution of $47,266.75. Out of this sum the Directors recommend the payment of a Dividend of $1.20 on the old shares and 60 cents on the New Issues and to carry foward the balance. This result we hope will be satisfactory to you as the profit earned is over 70 per cent. greater than last year. Interest of 7 per cent. on the second call has already been paid and the 60 cents we now propose to pay is dividend at 8 per cent. on the first call, which now participates in Dividends equally with the old shares. The second call will rank for equal dividend with other shares from January 1st 1909. It is gratifying to me to be able to report that the accommodation at our disposal has been insufficient to satisfy the demands, and that distinguished guests in general have spoken and written to me in very complimentary terms when expressing their satisfaction at the comfort and attention they had received during their stay. I hope, with the assistance of the staff, to make the Palace Hotel the Premier Hotel, and the one at which, all visitors will hope to find accommodation, and failing, will seek it, disappointed, at other Hotels. The hotel will be finished shortly—the unsightly boardings are all down. You can see, what a prominent front the Hotel has. I hope with the entire accommodation at our disposal, to give to you at the next meeting a report in every way satisfactory.

BURGLARY.

In the early hours of on the 11th inst a burglary was committed at the residence of Mr. A. Ramsay, at 20 Kennedy Road. The thieves cut the woodwork and removed a pane of glass in a side window, which they opened and entered the house. Apparently they had been attracted by the large massive marble clock in the dining room as they took none of the other valuables in the room, but carried the timepiece out of the house by the front verandah, taking two overcoats from the hall stand and two umbrellas. The fact that only the clock was taken from the dining room suggests that there were only two thieves who would find that the timepiece was as much as they could conveniently carry. A significant fact is that Mr. Ramsay's dog died only a few days before from poisoning.

THE BURIAL OF THE EMPEROR KWANG HSU.

EUROPEAN PRINCES OF THE BLOOD TO ATTEND.

The Peking correspondent of the *Tientsin Times* says:—

The first of May of the Western calendar has positively been decided upon by the Astronomers for the removal from the Forbidden City, of the Coffin of His Majesty the late Emperor of China.

The Burying place has been selected in the Tung Ling, or the Eastern Catacombs, and not in the Kis Ling as was anticipated.

This is the Western of the two Imperial grave-yards of the present Dynasty, both of which are situated some miles distant from Peking.

The Prince Regent was much affected when the desire of several governmnets became known that foreign Princes should attend in person the funeral rites.

For instance, it has already been officially intimated that Russia and Germany will be represented and probably also Austria Hungary by a Prince of the Imperial blood.

Japan first expressed the desire to send a near relative of the Mikado as representative, but this is not yet decided.

The burial of the Empress-Dowager will not take place this year and it is hardly probable that this year's ceremony will be so elaborately arranged.

It is stated positively in Peking that Yuan Ta-jen, son of ex Viceroy Yuan Shih-kai will soon have a big promotion.

FAR EASTERN TELEGRAMS.

OCEAN MAIL SUBSIDY BILL.

Tokyo, March 5th.

The Ocean Mail Subsidy Bill has been defeated by the Washington representatives.

[FROM THE "CHUNG NGOI SAN PO."]

STRAITS CHINESE AND THE CHINESE NAVY.

Peking, March 5th.

The Chinese Consul at Singapore has wired to Prince Su informing him that the Chinese merchants in the Straits Settlements are willing to subscribe a sum of $3,000,000 for the enlargement of the Chinese Navy.

This amount will be forwarded after arrangements have been made for the establishment of a suitable naval station.

FUND FOR THE CHINESE NAVY.

Peking, March 7th.

The Prince Regent has resolved to devote the money left by the late Empress Dowager to the re-organisation of the Chinese Navy.

CHINESE CRUISERS TO VISIT STRAITS SETTLEMENTS.

Peking, March 10th.

On the recommendation of the Board of Commerce the Government has sent Wong Ta-ching, secretary of the Board of Agricultural Work, to go with the cruisers *Hoi Chak* and *Hoi Ying* on a cruisers to the Straits Settlements to ascertain the trade and general position of the Chinese merchants there. The cruisers are to leave on the 11th instant.

NEW CHINESE LAWS.

Peking, March 12th.

The Chinese Government propose to introduce laws for the control of Chinese who are naturalised subjects of foreign countries and foreigners who are naturalised Chinese subjects. It is also proposed to make laws for the governance of marriages between Chinese and foreigners, and to decide the nationality of the issue of such mixed marriages. It is also intended to frame regulations for the control of Chinese in foreign countries.

MISHAP TO THE "KUTSANG."

The Indo-China steamer *Kutsang*, proceeding to Japan, struck a submerged rock when entering Haitan Strait on the 4th inst,. and as the ship was making water Captain Bradley made for the shore. All the passengers are safe. Captain S. Payne, the Company's marine superintendent at Shanghai, proceeded to the scene of the accident by the steamer *Loksang* with necessary gear.

Messrs. Jardine, Matheson & Co., Ltd. communicate to us the information that telegraphic advices received from Foochow on Friday with regard to the *Kutsang* were to the effect that the damage sustained by the steamer is not extensive. The hole has been plugged up and the steamer was proceeding to Shanghai. A telegram from Amoy reports that the Douglas steamer *Haiyang* (Captain Hodgins) had reported passing the *Kutsang* in lat. 26N. long 120E. "all well."

It was expected that the *Kutsang* would reach Shanghai on Sunday morning.

COMMERCIAL.

IMPORTS.:—

SUGAR.

Yokohama, 1st March,—Owing to local refineries having been out of the market lately, sales have been made of Hongkong sugars.

RICE.

SAIGON.—Messrs. Wm. G. Hale & Co. in their latest circular dated Saigon 5th Mar., report:—During the period under review our market has ruled very dull, prices however have been maintained owing to Cultivators withholding their stocks of Paddy.

We quote for March or April.

No. 2 White sifted (*trié*) steam milled round	*
No. 2 White unsifted (*ordinaire*) steam milled (round)	$3.18
5 % Cargo steam milled round	2 92
10 % Cargo steam milled round	2.87
20 % Cargo steam milled round	2.75

* *Prices according to terms and conditions.*

The following is a statement of this year's Exports of White Rice, Cargo Rice and Paddy:—

Destinationn.	Total pcs.
Hongkong	17,243
Iloilo	—
Cebu	2,834
Singapore	4,231
Batavia	3,419
Sourabaya	4,501
Europe	686
Total	32,914
Same period of last year	22,690

HONGKONG, 15th March:—The downward tendency continues, market being weak and Quotations now, are:—

Saigon, Ordinary	$5.00	to	$5.05
" Round, Good quality	$5.00	to	5.05
" Long	5.10	to	5.15
Siam, Field mill cleaned, No. 2	$5.05	to	5.10
" Garden, " No. 1	$51.0	to	5.15
" White,	$4.90	to	4.95
" Fine Cargo	$5.05	to	5.10

OPIUM.

HONGKONG, Mar. 6th—Since the 18th u to, the movements in the various Opium markets have been as follows:—

			Malwa.	*Patna.*	*Benares.*	*Persian*
Stocks on the 4th Feb., 1909—			350½	2,742	1,028	1,091
Feb. 18th Imports per	*Delta*		250½	110	12	84
" 24th "	"	*Kut Sang*	—	285	184	—
Mar. 1st "	"	*Kumsang*	—	210	177	—
" 4th "	"	*Macedonia*	223½	100	—	119
			3,976½	3,447	1,401	1,244
Less Exports to Shanghai			—	150	100	—
Less Exports to East and West Coast Ports including Local Consumption for the fortnight			150	411	476	220
Estimated Stocks this day			3,816½	2,886	825	1,024

Bengal.—A further heavy decline has to be reported to $995. for Patna and $975. for Benares. As bargains in Chinese hands are getting reduced, there has been some demand towards the close.

Malwa.—There has been a small demand at $1070/80. for new and $1100/1160. for various grades of old drug.

Persian.—We quote superior drug at $1020 with a small demand.

JAPANESE MARKETS.

IMPORTS.

YOKOHAMA, 1st March.—Cotton Yarns.—The inanimate condition of this market still continues. Cotton Piece Goods—A weakening in the Manchester market has caused a temporary cessation of orders, buyers' ideas seeming to be that the bottom has not been reached yet. Woollen and Woollen Mixtures.—The disturding factors which have upset this market during the last year are still militating against resuscitation. Textiles Generally.—Everything is still quiet. Raw Cotton. Market remains lifeless as stocks are still considerable. Rice.—Rangoon and Saigon quotations have seen a considerable decline and markets are weak. Metals.—The Metal market is still quiet, and there is practically nothing doing. Window Glass.—The market has declined, but buyers are slow to place orders. Stocks are considerable, and the approach of the season of little demand makes thing dull. Kerosine Oil—Arrival and deliveries for the second half of February show:—Standard Oil Co., arrivals 279,000 cases; deliveries 9,900 cases; Rising Sun Petroleum Co.; arrival 103,000 units, deliveries 2,900 units. Flour.—Sales of special brands have been effected during the last week for March/April shipments. Wheat.—The market continues firm, but no business has been done.

PIECE GOODS.

Messrs. Noel, Murray & Co. in their Piece Goods Report, dated Shanghai 5th March, 1909, state:—The first Steamer arrived at the Tientsin Bund on the 25th ulto, earlier than was expected, and has already returned to this Port. We have not been able to gather much news of the market, but there seems to be fairly good enquiry at firm prices. How they compare with those that are current here it is somewhat difficult to say, the dealers here, of course, making out they are not so good and are trying to get in at lower prices, which holders resent, with the consequence that nothing has been done from first hands, and very little otherwise. Further steamers have left here almost daily with moderate shipments of goods and Yarn, the latter, according to latest advices having advanced considerably and is really the only satisfactory feature, as it shows the country people have the means to buy that commodity to employ their spare time weaving until their services are required in the fields. It cannot be denied the apathy shown as regards woven goods is distinctly disapppointing. There is however, every assurance that Shanghai will regain some of her lost trade this year, so Importers must not despair. More hope is placed on the consumptive powers of Newchwang, the steamers for which Port are expected to leave here about the end of next week, but unless some radical change has taken place in the financial position, which we have not been advised of, it is difficult to see how trade can improve to any great extent. It is true fresh outlets have been found for some of the Manchurian products, which should stimulate the import trade in that Province. The River markets are still inactive, though latterly shipments have shown an improvement in that direction, especially Hankow, which it is trusted will continue and make up for the falling off last year, shown in the statement of Re-exports to that Port, compared with previous years. It is satisfactory, however, to note that the total deliveries so far this year are on the whole better than last year. This is a fact that is not apparent when comparing the figures published in a contemporary Report, as for some unexplained reason this year's figures are compared with those two weeks latter last year! Recent shipments to Corea are quite satisfactory and might have continued so but for some reason a steamer that was on the berth to leave this week has been withdrawn. As regards fresh business we can glean very few particulars, but while nominally exceedingly quiet there is a slight undercurrent of enquiry, and there are not wanting instances where sales have been satisfactorily replaced. With such strenuous competitions that is now going on it is probably wiser to keep any such transactions as dark as possible. Manchester is certainly unbending and better terms can be arranged than could have been done a month ago, though to what extent this is being availed of it is difficult to say. Cotton has remained on the easy side throughout, the latest Liverpool spot quotations being 5.05d for Mid-American and 8$\frac{1}{32}$d. for Egyptian. For the former the "future" price is 5.03d for June/July. From advices received to-day from New York, however, it looks likely that a reaction will take place, the March option quotation coming 9.51 cents, an advance of 20 points since last week. For Domestics the market is being kept very firm, with very little business passing. The only transaction we hear of is 1,000 bales 3.25 yard Drills at 9s. 1d. for Dwight S quality. The Export of Plain Cottons from Lancashire last month amounted to 43,000,000 yards, against 32,000,000 yards the same month last year, so there will be no dearth of supplies. The speculation that is going on in the Yarn market amongst the natives is not a healthy sign. It is a pity a period of legitimate trade could not have been organised after the disastrous experiences of the last few years. The high prices must curtail consumption in the long run and divert the demand to woven goods. All classes of Spinnings are abnormally high. The market book this week is devoid of any private sales, but the Auctions continue to offer full lines of the most popular Manchester makes. Prices have been a little in and out in Grey goods, and also the lower Whites, but the better qualities of these were firmer. Considering the greater freedom with which Turkey Reds were offered, prices on the whole were fairly well maintained. Fast Black Cotton Italians went very irregularly, and Venetians show a weaker tendency. Woollens have improved in most instances, especially at this morning's sale.

HONGKONG QUOTATIONS.

HONGKONG, 8th March 1909.

Hongkong markets:—

Apricot	$19 to 20
Borax	$17 to 18
Cassia	$24 to 25
Cloves	$30 to 32
Camphor	$78 to 84
Cow Bezoar	$70 to 115
Fennel Seed	$7
Galangal	$3 to 4
Grapes	$19 to 20
Kismis	$22
Glue	$2 to 26
Olibanum	$3 to 14
Oil Sandalwood	$250 to 300
,, Rosa	$70 to 80
,, Cassia	$202
Raisins	$13
Senna Leaves	$7
Sandalwood	$30 to 32
Saltpetre	$11 to 12

EXPORTS:—

SILK.

Yokohama, 1st March.—During the past fortnight only a limited business in raw silk has been done. Although Stock nominally amounts to 11.500 bales it is with the greatest difficulty that real good parcels can be had with the result that such lots command comparatively very high prices. The market for waste silk has been quiet, sales just about keeping face with arrivals. Habutai.—The close of the month has witnessed a considerable fall in prices for Kanazawa due to the stagnation of business and increase in the market supply. Enquiries from Europe have been below the Japanese parity, and, with the exception of 4½ momme in 27 inch, American buyers have withdrawn from the market. The Echizen market has declined in sympathy with Kanazawa since the last report and there are signs that the bottom has not yet been reached. The general quality has again caused complaints and no little difficulty is experienced in filling the limited requirements. There is no change to chronicle in the Kawamata market, but there has been a little more enquiry for 36 inch goods.

TEA.

The export of Tea from Amoy and Formosa in this year is: Tamsui Oolong, 16,295,770 to the United States, (a decrease from last year), 522,458 to London, (an increase from last year), and 170,510 to various places (an increase from last year).

CAMPHOR.

HONGKONG 15th March:—The prices are the same as last reported.

MISCELLANEOUS EXPORTS.

Per P. & O. steamer *Delta* sailed on 6th March, 1909. Hamburg.—5 cases human hair. Antwerp.—5 cases human hair. Manchester.—340 bales waste silk. Gibraltar.—6 cases silk piece goods, 1 case silk, 1 case curios. Lyons.—301 bales raw silk. London.—150 bales waste silk, 30 bales raw silk, 6 cases silk, 9 pkges personal effects &c. Marseilles.—18 cases Bamboo hats, 14 cases human hair, 71 bales raw silk, 1 case pongee silk.

Per P. & O. str. *Nore*, sailed on 11th March, For Antwerp:—400 bales hemp. For Glasgow:—8 cases woodware. For Manchester:—152 bales waste silk. For Liverpool:—1 case cigars. For Marseilles:—3 cases birds feather, 100 bales hemp. For London:—2,500 bales hemp, 150 roll matting, 25 cases bristles, 13 cases blackwoodware, 24 cases woodware, 11 cases Chinaware, 41 cases personal effects, 12 cases bambooware, 1 keg white lead.

HONGKONG SHARE QUOTATIONS.

HONGKONG, 12th March, 1909.—The firmness of our market reported in our last has continued throughout the past week, and rates with few exceptions have again improved, the tendency being still bouyant. Barsilver has ruled steady during the interval, and closes at 23$\frac{5}{16}$d. Exchange on London is quoted at 1/8$\frac{11}{16}$ T.T, and on Shanghai at 74$\frac{7}{8}$ T.T.

BANKS.—Hongkong and Shanghais were done in the earlier part of the week at $900, $910, and $915, but have since jumped to $925 buyers, with a probability of $930 leading to business. London has again advanced, the quotation now standing at £85.10. Nationals have not been dealt in, but are unchanged at $51 buyers.

MARINE INSURANCE.—Unions after small sales at $825 have hardened, and are now enquired for at $830. China Traders, North Chinas and Yangtszes are unaltered, but are wanted at quotations. Cantons can be placed in small lots at $187½.

FIRE INSURANCES.—Hongkongs have been booked at $306 and $308 ex the dividend of $27 per share for 1907 paid on the 10th instant, and close firm at the higher rate. Chinas have also improved, and are now enquired for at $105, no sales being reported during the interval.

SHIPPING.—Hongkong, Canton and Macaos have again been booked at $29¼ and more shares are wanted. Indos have attracted some attention, and sales are reported at $58 and $59 for the Preferred and Deferred combined. China and Manilas have declined to $11 sellers. There are buyers of Douglas at $34, and of Shell Transports at the improved rate of 53/- but no sales have been effected.

REFINERIES.—China Sugars have still further advanced with small sales up to $150, at which rate the market closes steady with a few shares offering. The report of this Company for presentation to shareholders at the annual meeting to be held on the 19th instant, shows a gain on working during 1908 of $273,513.10 after paying interest $33,462.95, Commission $25,290.62, Renumeration to Consulting Committee $2.500, and Auditors' fees $750, thereby reducing the debit balance of $279,371.34 brought forward from 1907 to $5.858 24. The General Agents and Consulting Committee recommend that a dividend of $5 per share, absorbing $1,000,000, be paid out of equalization of dividend fund which will then stand at $350.000. Luzons have not been enquired for during the interval and remain at $17 with probable sellers.

MINING.—Charbonnages have improved to $590 ex the dividend of Francs 37½ (Coupon 16) paid in Paris on the 1st instant, but no sales are reported. Raubs after small sales at $8½ have declined to $8¼ sellers.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks are easier with sellers at $86, a small sale being reported as low as $85. Hongkong and Kowloon Wharves have improved considerably, and after sales at $51 and $52 have further advanced to $54 at which the market close steady. Shanghai Dock have been sold in the North at the reduced rate of Tls 87½, the latest quotations by wire being Tls 87 buyers. Shanghai and Hongkew Wharves are also slightly easier with sellers at Tls 175.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands have advanced to $99, and a fair business has been booked at that rate, market closing with further buyers. Kowloon Lands, West Points and Hongkong Hotels have not attracted the attention of investors, and remain unchanged with sellers at quotations. Humphreys Estates are firmer with buyers at $8¾. Shanghai Lands are still quoted at Tls 115.

COTTON MILLS.—A further substantial advance has to be recorded in Ewo Cottons which are now wanted in the North at Tls. 115. Internationals are quoted at Tls. 89, Laou Kung

Mows at Tls. 94, and Soychees at Tls. 315. Hongkongs are quiet with sales at $9.

MISCELLANEOS. — China Borneos have improved to $12¼ with sales and further buyers, China Providents to $9.30, Dairy Farms to 14½, Electrics to $18¾. Hongkong & China Gas to $210, China Light & Powers to $5, and Watsons to $9¼, all closing in request. There are sellers of Cements at $9.60. After sales at the rate, and of Ices at the reduced rate of $200.

MEMOS. — Company Meetings announced. Geo Fenwick & Co., Ld., 13th instant. China Sugar Refinery Co, Ld., 19th instant. Luzon Sugar Refinery Co., Ld., 19th instant.

Quotations are as follows:—

STOCKS	PAID UP.	QUOTATIONS
Alhambra, Ld.	$50	Nominal
Banks—		
Hongkong & S'hai...	all	$925, buyers £85.10
National B. of China	£6	$51, buyers
Bell's Asbestos E. A....	12/6	$10, buyers
China-Borneo Co.....	$12	$12¼, buyers
China Light & P. Co....	$10 $1	$4.90, buyers
China Provident	$10	$9.20, sales & buy.
Cotton Mills—		
Ewo Cotton S. & W.	Tls. 50	Tls. 115, buyers
Hongkong C. S. Co.	$10	$9. sales
International	Tls. 75	Tls. 89
Laou Kung Mow ...	Tls. 100	Tls. 94
Soychee	Tls. 500	Tls. 315
Dairy Farm Co.....	$6	$14½, sales
Docks & Wharves—		
H. & K. Wharf & G.	all	$54
H. & W. Dock	all	$86, sellers
New Amoy Dock ...	$3¾	$9½, buyers
Shanghai Dock and Eng. Co., Ld.	Tls.100	Tls. 87
S'hai & H. Wharf...	Tls. 100	Tls. 175
Fenwick & Co., Geo...	$25	$12, sellers
G. Island Cement Co	10	$9.60, sales & sel.
Hongkong & C. Gas...	all	$210, buyers
Hongkong Electric....	$10	$18¾, buyers
Hongkong Hotel Co....	all	$87, x.d., sellers
Hongkong Ice Co.....	all.	$200, sellers
H.K. Milling Co., Ld...	$100	Nominal
H'kong Rope M. Co....	all	$24
Insurances—		
Canton	$50	$187½
China Fire	>20	$105, buyers
China Traders	$25	$87½, buyers
Hongkong Fire.....	50	$308, x.d., buyers
North China	£5	Tls. 97½, buyers
Union	$100	$830, buyers
Yangtsze	$60	$192½, buyers
Land and Buildings—		
H'kong Land Invest.	100	$99, sales & buy.
Humphrey's Estate	all	$8¾, sales & buy.
Kowloon Land & B.	$30	$30
Shanghai Land.....	Tls. 50	Tls. 115
West Point Building	$50	$44, sellers
Mining—		
S. F. des C. du T'kin	all	$590, x.d., buyers
Raubs	18/10	$8¼, sellers
Peak Tramways Co., Ld	all $1	$14 $2
Philippine Co., Ld.....	$10	$8, sellers
Refineries—		
China Sugar	all	$150, buyers
Luzon Sugar	all	$17, sellers
Robinson Piano Co....	$50	$59, sellers
Steamship Companies		
China and Manila...	$25	11, sellers
Douglas Steamship	all	$34, buyers
H., Canton & M. ...	$15	$29¼, sales & buy.
Indo-China S. N. Co.	all	$40, buyers $20, buyers
Shell Transport Co.	£1	53/-, buyers
Star Ferry.....	$10 $5	$23½ $15, sellers
South China M. Post...	$25	$24, sellers
Steam Laundry Co.....	$5	$5½
Stores & Dispensaries—		
Campbell, M & Co...	all	$9, buyers
Wm. Powell, Ld. ...	>7	$2½
Watkins, Ld.....	$10	$2½
Watson & Co., A. S.	$ 0	$9¼, buyers
Weissmann, Ld.....	$100	$140
United Asbestos	$4 $10	$12½ $230
Union Waterboat Co....	$10	$10, x.d., buyers

VERNON & SMYTH, Brokers.

SHANGHAI SHARE QUOTATIONS.

3rd March, 1909.

COMPANY.	PAID UP.	QUOTATION.
Banks:—		
Hongkong & S'hai...	$125	$935, buyers
National of China...	£6	$50
Russo-Chinese	R187½ T125	Tls. 175
Insurance:—		
Union Society C'ton	$100	$825, buyers
North-China	£5	Tls. 97½, buyers
Yangtsze Assocn. ...	$60	$210, buyers
Canton	$50	$195, sales
Hongkong Fire.....	$50	$337½, sales
China Fire.....	$20	
Shipping:—		
Indo-China pref.	£10	Tls. 40, buyers
Indo-China def.		
Shell Trans. & Trading ord.	£1	£2.8.0
Shell Trans. & Trading pref.	10	£9.10.0
S'hai Tug & Lighter ... ord.	T50	Tls. 46½, buyers
S'hai Tug & Lighter ... pref.		Tls. 52, buyers
Taku Tug & Lighter	T50	Tls. 48
Kochien Transportation & Tow Boat	T50	Tls. 50
Docks & Wharves:—		
S'hai Dock & Eng...	T100	Tls. 90, buyers
H. & W. Dock	$50	$91, sellers
S. & H'kew Wharf...	T100	Tls. 176, Mch
H. K'loon W. & G...	$50	$45, sellers
Yangtsze	T100	Tls. 217½
Sugar Companies:—		
Perak Cultivation....	T50	Tls. 125, sales
China Refining.....	$100	$112½, buyers
Mining:—		
Raub Australian ...	£1 18/10	$8, buyers
Chinese Eng. & Min.	£1	Tls. 18½, buyers
Lands:—		
S'hai Investment...	T50	Tls. 115, sellers
H'kong Investment	$100	$93
Humphreys' Estate	$10	$10¼
Weihaiwei	T25	Tls. 8, buyers
China	T50	Tls. 50, sellers
Anglo-French	T100	Tls. 104, sellers
Cotton:—		
Ewo.....	T50	Tls. 119
International	T75	Tls. 93, sales
Laou Kung Mow ...	T100	Tls. 102, sales
Soy Chee	T500	Tls. 315, buyers
Industrial:—		
Shanghai Gas	T50	Tls. 110, buyers
Major Brothers.....	T50	Tls. 50
Shanghai Ice... ...	T25	Tls. 14
China Flour Mill ...	T50	Tls. 36, buyers
S'hai Pulp & ape r	T100	Tls. 36, buyers
Green Is. Cement....	$10	$10, sales
Maatschappij, &c., in Langkat.....	Gs.100	Tls. 805, buyers
Shanghai - Sumatra Tobacco	T20	Tls. 110, buyers
S'hai Waterworks...	£20	T. 435, sales
Anglo-Ger. Brewery	100	$80, sellers
A. Butler Cement, Tile Works	50	$20, sales
Kalumpong Rubber	50	Tls. 91, buyers
S. R'ber Estates ...	T100	Tls. 110, buyers
Eastern Fibre	$10	.....
Shanghai Electric Construction	£10	£9.0.0. sellers
Miscellaneous:—		
Hall & Holtz.....	$20	$23, buyers
A. Llewellyn	$60	$52, buyers
A. S. Watson & Co.	$10	$11½
Central Ordinary ...	$15	$16½
Central Founders...	$15	$400, buyers
S. Moutrie & Co. ...	$50	$46, sales
Weeks & Co.	$20	$24½, buyers
Astor House Hotel	$25	$17, buyers
Hotel des Colonies	T12.50	Tls. 5½, buyers
Lane, Crawford & Co.	100	$152½, buyers
Dunning & Co.	50	$50, sales
S'hai Horse Bazar...	T50	Tls. 50, sellers
S'hai Mercury	T50	Tls. 50
S'hai Mutual Tele.	T50	Tls. 62, sales
China Im. & Ex. Lumber	T100	Tls. 83, sellers
Shanghai Electric & Asbestos	$25	$22, sellers
Dallas Horse Repository	T50	Tls. 25
Printing Co.....	T50	Tls. 50

J. P. BISSET & Co.

Messrs J. P. Bisset & Co. in their Share Report for the week ending March 3rd, state:—Our Market has been very steady during the week with an improvement in Shanghai Docks and Langkats, and all Cotton shares. Hongkong and Shanghai Banks. No business reported, but owing to a rise of £2 in London, the market has risen to $915 ex. div. The T. T. on London to-day is 2/3⅛. Marine and Fire Insurances.—North China Insurance Co. Business has again been done in this stock at Tls. 97½ and the market is steady. Union Insurance of Canton. A small transaction took place in this stock at $820 at Hongkong Ex. 74.78. Shipping.—Indo-Chinas are on offer at Tls. 47½ without finding buyers. Shanghai Tugs. A fairly large business was done in the ordinary shares at Tls. 45 and preference shares changed hands at Tls. 50. Kochien Tugs. An operation was reported at Tls. 42½ ex. div. Docks and Wharves.—Shanghai Dock and Eng. Co., Ltd. The market opened at Tls. 86 for cash and Tls. 90 for June, and gradually steadied till at the close there were buyers for cash at Tls. 90 and Tls. 91 for March and Tls. 94 for June without finding sellers. Shanghai and Hongkew Wharves. This market declined a little during the week, business being reported as follows:—Tls. 175½ and Tls. 176 cash, Tls. 173, Tls. 177½ Tls. 180 and Tls. 176 March, Tls. 182½, Tls. 185, Tls. 186 and Tls. 182½ June, closing with buyers at Tls. 176 cash, Tls. 177 March and Tls. 182 June. Sugars.—A further improvement has taken place in Perak Sugars, business being done at Tls. 110 for cash and there are now buyers at Tls. 112½. Lands.—Shanghai Land Investment Co. A good business was done at Tls. 115 ex div. Mining.—An operation is reported in Chinese Engineering and Mining Co. at Tls. 18½, and there are further buyers at this rate. Industrial.—Ewos have been quoted at Tls. 108 and Tls. 108½ June, and the market closes with buyers at Tls. 105 for March and Tls. 108½ for June. Laou Kung Mows were done at Tls. 89 and Tls. 89½ March, and Tls. 93 June. Internationals were quoted at Tls. 84½, Tls. 85 and Tls. 86 March, and Tls. 90 June. Shanghai Gas Co. Shares were dealt in at Tls. 121 cash, and Tls. 121 March. Maatschappij, &c. in Langkats. Rates have varied a good deal during the week. business being reported at Tls. 830. Tls. 825 and Tls. 790 for cash, the last two quotations being made on the same day. Forward business is quoted at Tls. 830, Tls. 840, Tls. 800, Tls. 785, Tls. 795, Tls. 800, Tls. 810 for March, and Tls. 800, Tls. 815, Tls. 825, Tls. 830, Tls. 820 and Tls. 825 for June. Shanghai Sumatras. Business has been reported in this stock at Tls. 115 and Tls. 116 cash, Tls. 117½ March, Tls. 120 and Tls. 118 June. Stores and Hotels.—Astor House shares have changed hands at $16½, and a fairly large business has been done. Hall and Holtz Shares are quoted at $23 and are in demand at this rate. Weeks & Co., Ld. Shares have been done at $24½ and further shares could be placed at this rate. A single transaction is recorded in Lane, Crawford & Co. at $165. Miscellaneous.—Telephones are quoted at Tls. 61½ and further shares could be placed at this rate. Loans and Debentures.—No business reported, but the market is steady at last quotations.

EXCHANGE.

HONGKONG, March 15th.

ON LONDON.—	Telegraphic Transfer	1/8 13/16
	Bank Bills, on demand	1/8 7/8
	Bank Bills, at 30 days' sight	1/8 5/16
	Bank Bills at 4 months' sight	1/9
	Credits, at 4 months' sight	1/9 1/8
	Documentary Bills, 4 months sight..	1/9 1/4
ON PARIS.—Bank Bills, on demand		219½
	Credits 4 months' sight	223½
ON GERMANY.—On demand		178
ON NEW YORK.—Bank Bills, on demand		42 3/8
	Credits, 60days' sight	43½
ON BOMBAY.—Telegraphic Transfer ..		130¾
	Bank, on demand	131¼
ON CALCUTTA.—Telegraphic Transfer		130¾
	Bank on demand	131¼
ON SHANGHAI.—Bank, at sight		74 7/8
	Private, 30 days' sight	75¾
ON YOKOHAMA.—On demand		84¾
ON MANILA.—On demand		85½
ON SINGAPORE.—On demand		74 3/8
ON BATAVIA.—On demand		104 5/8
ON HAIPHONG.—On demand ...		12¼ p.c. pm.
ON SAIGON.—On demand ...		12 p.c. pm.
ON BANGKOK.—On demand		87½
SOVEREIGNS, Bank's Buying Rate.....		$11.35
GOLD LEAF 100 fine, per tael		$59.50
BAR SILVER per oz		23 3/8

FREIGHT.

Hankow, 24th Feb.—Per Conference Steamers, To London and Northern Continental ports 50/- per ton of 40 cft. plus river freight. To Genoa, Marseilles or Havre 50/- per ton of 40 cft. plus river freight. To New York (via Suez) General Cargo 32/- per ton of 40 cft. plus river freight. To New York (via Suez), Tea 9/6 per ton of 40 cft. plus river freight. To New York (Overland) per carload; Tea G. $1.50 cents per lb gross; less than carload Tea G. $1.75 cents per lb gross; plus river freight. To Shanghai:—Tea and General Cargo, Tls. 1.80 per ton, weight ormeasurement.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

March:— ARRIVALS.

5, Asia, Russian str., from Swatow.
5, Bujun Maru, Jap. str., from Swatow.
5, Choising, German str., from Bangkok.
5, Daijin Maru, Jap. str., from Swatow.
5, Delta, British str., from Shanghai.
5, Haimun, British str., from Swatow.
5, Heliopolis, British str., from Chinwantao.
5, Kwanglee, Chinese str., from Shanghai.
5, Quarta, German str., from Sourabay.
5, Signal, German str., from Dalny.
5, Tean, British str., from Manila.
5, Thordis, Norwegian str., from Moji.
6, Ariake Maru, Jap. str., from Moji.
6, Benlawers, British str., from London.
6, Hopsang, British str., from Samarang.
6, Nanshan, British str., from Bangkok.
7, Chinhua, British str., from Shanghai.
7, Choysang, British str., from Shanghai.
7, Clara Jebsen, Ger. str., from Haiphong.
7, Haiching, British str., from Coast Ports.
7, Locksun, German str., from Bangkok.
7, Marie Jebsen, German str., from Saigon.
7, Tjiliwong, Dutch str., from Batavia.
7, Tosa Maru, Jap. str., from Shanghai.
8, A. Apcar, British str., from Calcutta.
8, Daiya Maru, Jap. str., from Wakamatsu.
8, Empire, British str., from Manila.
8, Hilary, German str., from Sourabaya.
8, Hupeh, British str., from Haiphong.
8, Westphalia, German str., from Shanghai.
9, Chowfa, German str., from Bangkok.
9, Hailan, French str., from Hoihow.
9, Haimun, British str., from Swatow.
9, Hanyang, British str., from Chefoo.
9, Hyson, British str., from Liverpool.
9, J. Diederichsen, Ger. str., from Hoihow.
9, Johanne, German str., from Singapore.
9, Knivsberg, German str., from Haiphong.
9, Kwangtah, Chinese str., from Shanghai.
9, Prinzess Alice, Ger. str., from Yokohama.
9, Prometheus, British str., from Amoy.
9, Victoria, Swedish str., from Sourabaya.
9, Yuensang, British str., from Manila.
9, Zafiro, British str., from Manila.
10, Auchenblae, British str., from Singapore.
10, Bloemfontein, Br. str., from Singapore.
10, Hanoi, French str., from K. C. Wan.
10, Hongkong, French str., from Hoihow.
10, Kamor, Norwegian str., from Haiphong.
10, Kiangping, Chinese str., from Chinkiang.
10, Kweiyang, British str., from Chinkiang.
10, Loongsang, British str., from Iloilo.
10, Marie, German str., from Swatow.
10, M. Korner, German str., from Moji.
10, Nore, British str., from Yokohama.
10, Pheumpenh, British str., from Saigon.
10, Samsen, German str., from Bangkok.
10, Stettin, British str., from Singapore.
11, Amigo, German str., from Haiphong.
11, Asia, British str., from San Francisco.
11, Bengloe, British str., from Moji.
11, Chenan, British str., from Shanghai.
11, Haitan, British str., from Swatow.
11, Hongbee, British str., from Singapore.
11, Joshin Maru, Jap. str., from Tamsui.

March:— DEPARTURES.

5, Aldenham, British str., for Sydney.
5, Borneo, German str., for Sandakan.
5, Haiyang, British str., for Swatow.
5, Macedonia, British str., for Shanghai.
5, Meefoo, Chinese str., for Shanghai.
5, Moyori Maru, Jap. str., for Singapore.
5, Nord, Norwegian str., for Saigon.
5, Perlak, Dutch str., for Singapore.
5, Winnebago, British str., for Moji.
6, Chihli, British str., for Haiphong.
6, Delta, British str., for Europe.
6, Foochow, British str., for Ningpo.
6, Fooshing, British str., for Shanghai.
6, Kamakura Maru, Jap. str., for Kobe.
6, Mathilde, German str,, for Hongay.
6, Namsang, British str. for Singapore.
6, Rubi, British str., for Manila.
6, Shinano Maru, Japanese str., for Takao.
6, Strombus, British str., for Balik Pappan.
6, Standard, Norwegian str., for Saigon.
6, Tingsang, British str., for Shanghai.
7, Anhui, British str., for Shanghai.
7, Bencleuch, British str., for Saigon.
7, Daijin Maru, Japanese str., for Swatow.
7, Esang, British str., for Shanghai.
7, Haimun, British str., for Swatow.
7, Shantung, German str., for Swatow.
7, Sungkiang, British str., for Amoy.
7, Wingsang, British str., for Swatow.
7, Yerimo Maru, Japanese str., for Takao.
7, Yesan Maru, Jap. str., for Kuchinotsu.
8, Chiyuen, Chinese str., for Shanghai.
8, Prinz Waldemar, Ger. str., for Nagasaki.
9, Baron Dalmeny, British str., for Kobe.
9, Benlawers, British str., for Nagasaki.
9, Bujun Maru, Jap. str., for Swatow.
9, Chiyo Maru, Japanese str., for Shanghai.
9, Haiching, British str., for Swatow.
9, Tean, British str., for Manila.
9, Westphalia, German str., for Hamburg.
10, Clara Jebsen, German str., for Haiphong.
10, Choising, German str., for Swatow.
10, Empire, British str., for Kobe.
10, Haimun, British str., for Swatow.
10, Prinzess Alice, German str., for Europe.
10, Rigel, American str., for Manila.
10, Shini Maru, Jap. str., for Kobe.
10, Signal, German str., for Swasow.
11, Ariaki Maru, Jap. str., for Kutchinozu.
11, Asia, Russian str., for Tsingtau.
11, Choysang, British str., for Swatow.
11, Hailan, French str., for Hoihow.
11, Hyson, British str., for Yokohama.
11, J. Diederichsen, Ger. str., for Swatow.
11, Kwanglee, Chinese str., for Shanghai.
11, Kumsang, British str., for Singapore.
11, Nore, British str., for London.
11, Prometheus, British str., for Liverpool.
11, Stettin, British str., for Foochow.
11, Yatshing, British str., for Shanghai.

PASSENGERS.

ARRIVED.

Per *Samsen*, from Bangkok, Dr. Gebinsky.

Per *Benlawers*, from London &c., Mr. Morgan.

Per *Kwangtah*, from Shanghai, Mr and Mrs Groundmann.

Per *Hopsang*, from Samarang & Sourabaya, Rev. Thompson.

Per *Chowfa*, from Bangkok, &c., Messrs A. F. C. Backer and Y. Sheel.

Per *Hupeh*, from Haiphong, &c., Miss Altshuler and Mr Bearing.

Per *Choysang*, from Shanghai, &c., Mrs Guedes, Mrs Stapleton and Mr Pughun.

Per *Haimun*, from Swatow, Mrs N. Gill Suykx and child, and Mr W. F. Wenyon.

Per *Tean*, from Manila, Messrs Bullen, Gauagan, Sacharlian, Eldridge, Lee and Lajoni.

Per *Tosa Maru*, from Shanghai, &c., Miss B. Lytton, Messrs R. G. Byers, C. B. Burrel, F. Harmon and F. D. Banda.

Per *Yuensang*, from Manila, Miss Josefa Lopes, Messrs P. Hitchcock, R. Vellguth, B. Bermester, Seral Lenol, P. Dressler and J. H. Brown.

Per *Haiching*, from Coast Ports, Mr and Mrs Oswald and family, Baron and Baroness Von Ruffin, Misses Wetherall and Tourer, Major Evans, Messrs Thompson and A. Thompson.

Per *Arratoon Apcar*, from Calcutta, &c., Mr and Mrs Hamilton Price, Mr and Mrs Ebbeke, Mr and Mrs Withers, Mr and Mrs R. S. Judah and 3 children, Mrs Sibrino, Misses Drew and Cohen, Capt. G. G. Corrie, Messrs C. D. H. Dunlop, Pritchard, Bennett, D. Ezra and J. R. Jacob.

Per *Prinzess Alice*, for Hongkong, from Yokohama, Miss Cridnow and Mr John B. Amazun; from Kobe, Mr Compere; from Nagasaki, Mr and Mrs Lacroise and Misses Katsuky (2); from Shanghai, Mr and Mrs Davids, Mr and Mrs Kunyohn, Mrs Stevenson, Mrs D. Y. Yough, Mrs Loun, Misses Lyineto, A. Hamilton and Marchawa, Dr. Oswald Marrioff, Messrs D. I. Müller, L. Muhle, Binnup, P. M. Perura, Yab and family, D. J. Pianos, Joseph and child, Thomas Pria, L. Crowell, Lasar and Chapmann.

Per *Prinz Waldemar*, for Hongkong, from Sydney, &c., Mr and Mrs Boluminski, Mr and Mrs A. S. Sanier, Mr & Mrs E. dal sar Orozeo, Mr and Miss Mallalien, Mrs J. G. Teall, Mrs H. P. Snyder, Mrs Munroe, Assessor Full and family, Messrs A. Hardt, Klink, Dinkela, Ed. Weber, Wandres, Jose Orozeo, George Welborn, Strezinski, Otto Schonemann, Pater C. v. d. Hemel and Charles G. Benson.

Per *Delta*, for Hongkong, from Yokohama, Mr Stanley Vincent; from Shanghai, Mr and Mrs Adson, Mrs A. Satulovska, Captain B. Lundholm, Messrs J. Adams, A. Stanisch, E. J. Ezra, J. H. Tow, Tschudin, W. F. Gray, J. W. Lenty and N. Smith; from Shanghai, for Singapore, Messrs A. A. de Jongh, W. G. van Wettum and two servants, W. D. Barnes and servant, and Mr Jacques Forster; for Colombo, Mr Griggs; for London, Mrs C. Hill and child, and Mr J. W. Law; from Kobe for London, Messrs P. C. Couran and A. L. Elder.

DEPARTED.

Per *Nore*, for London, from Kobe, Mr Fawcus; from Shanghai, Mrs M. Bell, child & nurse, Mrs W. G. Browne, Capt. J. Browne, Messrs J. Donald, E. Hancock and I. Ditcham; for Singapore, from Shanghai, Mr A. Kivanto; from Foochow, Mr D. G. Cheesmaw.

Per *Prinzess Alice*, for Bremen, Mr and Mrs T. Anderson, Mr and Mrs C. Andersen, Mr and Mrs Boluminski, Mr and Mrs v. d. Berg, Mr and Mrs O'Brien, Mr and Mrs R. Brown, Mr and Mrs D. M. Campbell, Mr and Mrs W. Cater, Mr and Mrs Christopherson and son, Mr and Mrs Geo. Compere, Mr and Mrs A. M. Cunningham, Mr and Mrs G. C. Dobson, Mr and Mrs K. England, Mr & Mrs Justice Fisher, Mr and Mrs Bezirksamtsassessor Full and child, Mr and Mrs Gockings and 2 daughters, Mr and Mrs L. E. Grigsby, Mr, Mrs and Miss Hamilton, Mr and Mrs J. Jebsen, Mr and Mrs W. R. Kersey, Mr & Mrs Katz, Mr and Mrs Limousin and 2 daughters, Mr and Mrs M. C. Owen, Mr and Mrs Eugenio del Saz Orozco, Mr and Mrs Keeles, Mr and Mrs Von Ruffin, Mr and Mrs Homer P. Snyder, Mr and Mrs James Smith, Mr and Mrs Frederick G. Taal, Mr and Mrs Verspeyk and child, Mr and Mrs Webster, Mr and Mrs James Webster, Mr and Mrs Otto Will, Mr and Mrs C. Zippert, Sir and Lady Layard, Consul and Mrs Frendenberg, Consul and Mrs Niels Hoy, Dr. and Mrs E. W. Cafen, Dr. and Mrs Chas. A. Hayes and child, Dr. and Mrs J. Jordan, Dr. and Mrs Americo G. B. de Souza and child, Prof. Dr. and Mrs Magnus, Capt. and Mrs Legge, Major and Mrs McNabb, General and Mrs A. C. Taylor, Rev. and Mrs Taylor, Mrs Krabbe-Pasteur, Mrs M. Koehn, Mrs A. Kuhn, Mrs C. G. Kreidner, Mrs Merriman, Mrs Newton, Misses D. Brown, F. and M. Dallas, H. Evans, Eldridge, A. Ferrell, F. Gottschalch Harp, L. L. Hunt, Mullins, Michaeles, M. A. Pyke and Risch, Consul Dr, Budenbender, Consul Dr. F. Grunsnwald, Dr. Danielsen, Dr. N. S. Hopkins and family, Col, Hopton, Capt. Klugkist, Rev. H. E. King and family, Director Söhren, Messrs G. L. Apcar, Apcar, jr., O. G. Bennet, H. G. Bristow, O. Bein, Beck, Franklin Babcock, R. Brown, G. J. Clifton, A. Covin, Chien, Donald, Rees Davies, Denk, K. Esroom, Eck, E. W. Eaton, Finnie, H. Forst, Fou, E. C. Gilman, J. van Gegh, Tritz Gaugler, Th. Hardt, B. Hart and family, Hallwrrd, A. P. Hacobian, Hermeyer, Hall, F. Hermanns, Th. Hanisson, F. H. Henderson, R. H. Hunt, Paul Homann, Ha, A. Jaguxh, C. Kingman and family, G. J. Kerr, Klusmann and family, J. M. Kuyl and family, Klink, Albert Kieschke, L. Klapheck, C. L. Long, C. L. Lawrance, Layard, Lessing and family, A. Moir, Harry Mitchell, Ph. Manst, H. Mackintosh, H. Cunliffe-Owen, Jose del Saz Orozco, John C. Oswald and family, O. M. Poole, A. C. Hellus Petersen, Pernotte I, Rud. Poggi, Pastor Roehrig, R. Raphael, A. W. Schellhass and family, Serach, C. Stockhausen, Otto Schoenemann, M. Strezinski, Peter Stühlen, P. Seckdiescine, K. Stephan, Legationssekratar Hsien Toje, Remhold Thorn, A. Thiessen, Tchang, Ursune, Voges, K. Vogt. Referendar Vogels, Wernor Vogels, A. Westenholz, E. D. von Walree, E. A. Weber, J. J. van West, C. Wyatt, Westrand, J. Ward, W. Wooldridge, J. Zeisler, Zawer and family.

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